

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA ET AL FT LIARD
 UNIQUE I.D. EL 381
 SUPERVISOR: Wilbert Callihoo
 CELLULAR #: 780 - 840 - 8655
 SPUD DATE: 12/12/00
 R.R. DATE: 16/01/01 - 12:00 Hrs.
 CONTRACTOR: Precision Drilling
 A.F.E. #: 00N010054 EST. T.O. 2100

LOCATION: N-01
 WELL LICENCE WID - 1902

DAILY COST: \$26,000
 CUM. COST: \$2,139,000
 DAILY MUD: \$500
 CUM MUD: \$40,000

DAY: 38 REP DATE: 19/1/01 STATUS 08:00 Move Rig - Tear out Camp to Move
 DEPTH: 1940 PROG. KB: 492.10 GL: 487.00 MACP:
 SURVEYS:

MUD TYPE: WT: VISC: WL: FC: PH:
 ADDITIVES:

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
Gardner-Denver	PZ - 8	165	203						
Cont - Emsco	D - 500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			
B/S			
228MM DC			
X/O			
X/O			
8DC			
KELLY			
TOTAL			

TIME DISTRIBUTION

MOVE/RIG-UP 16.00 RIG REP:
 DRILL MH & RH: LOGGING:
 RIG SERVICE: CEMENT:
 SURVEY: WOC:
 PRESSURE TEST: RUN CSG:
 DRILL: DST:
 DRILL OUT: TRIP:
 CIRCULATE: L.D.D.S.:
 NIPPLE UP BOP: REAM:
 TEAR OUT 8.00

CASING SUMMARY

RAN 150 JTS OF 177.8 MM, 38.69 KG/M, J - 55 Production CASING.
 LANDED AT 1940.00 MKB. TOTAL LENGTH 1941.90 METERS.
 CEMENTED WITH 26 T-1-1-2 G + .5% CD - 31 & 30 T 0.1:0 "G" + .8% NFL-2
 PLUG DOWN AT 11:48 HRS. ON 15/1/01 WITH 37080.0 M3 CEMENT RETURNS.

TOTAL HOURS: 24.00

Clean Rig and Matting - Tear out Water and Steam Lines while waiting on Daylight and Trucks to Move Rig-
 Tear Out and Wrap up Power Cords and Lights - Held Safety Meeting with Rig Crew and Truckers before
 Tearing out Rig - Tear out Rig with Trucks - Move out all Buildings and Tanks - Take Down Derrick and Load
 out - Move Sub off Matting and Load out Matting - Sent out 23 Loads Including 2 Rental Wellsite Units -Will
 Tear out and Load out Camp this Morning - All Loads will be Off this Location by Noon Today.
 Weather - Clear Calm - Cool - Temp @ -8oC



Drill Stem Testing Report

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8619
Test Date: 01/11/2001 900hrs

DST#: 6

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

General Information:

Test Type: INFLATE STRADDLE
Interval: 1625.00m - 1632.00m
Formation: MATTSON
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Fluid

Tester: D. WHITE
Truck No.: Unit 677
Contractor: PRECISION
Rig No.: 387
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 57.00 C

Electronic Recorder Information:

OUTSIDE
Recorder #: 124

Range: 10000 kPa
Depth: 1459.00 m

FLUID
Recorder #: 126

Range: 10000 kPa
Depth: 1436.00 m

Flag Points:

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	19088.2
B Start of 1st Flow	0.00	392.4
C End of 1st Flow	10.00	819.2
D End of 1st Shutin	97.00	17616.4
E Start of 2nd Flow	0.00	732.6
F End of 2nd Flow	55.00	1215.3
G End of 2nd Shutin	123.00	17250.2
Q Final Hydrostatic	0.00	18831.2

Test Run Information:

Start Time: 900hrs
Reached Test Depth: 1200hrs
Pull Out Time: 1800hrs
Tool Out Of Hole: 2300hrs

Weight set on Packers: 6000.00daN
Weight to free Packers: 10000.00daN
Initial String Weight: 42000.00daN
Unseated String Weight: 42000.00daN

Tool Chased Dist: 0.00m

Water Loss: 6.50cm³

Mud Type: GEL CHEMICAL

Mud Drop: NO

Mud Weight: 1190.00kg/m³

VIS: 95.00S/L

Amount of fill: 0.00m

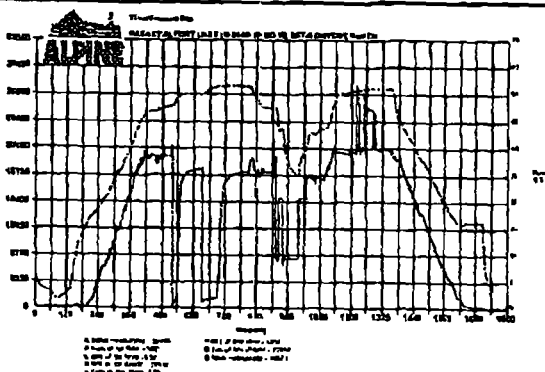
Filter Cake: 2.00mm

Amt of cushion: 0.00

Pump Time: 30min

Type of cushion: N/A

Reversed Out: NO



General Remarks:

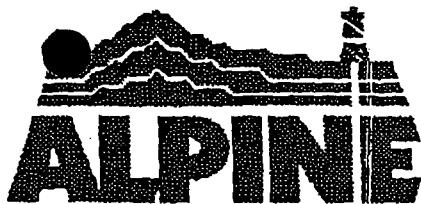
PREFLOW: Weak air blow increasing to strong in 30 seconds. Remaining strong throughout remainder of flow.

FINAL FLOW: Weak air blow increasing to strong in 1 minute. Remaining strong throughout remainder of flow.

Recovery Description:

SEE DST #7

Gas Bomb: 0 Sampler: 0
Fluid Sample: 0 Sent to: SEE DST #7



Drill Stem Testing - Tool Diagram / Description

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8619 DST#: 6
Test Date: 01/11/2001 800hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

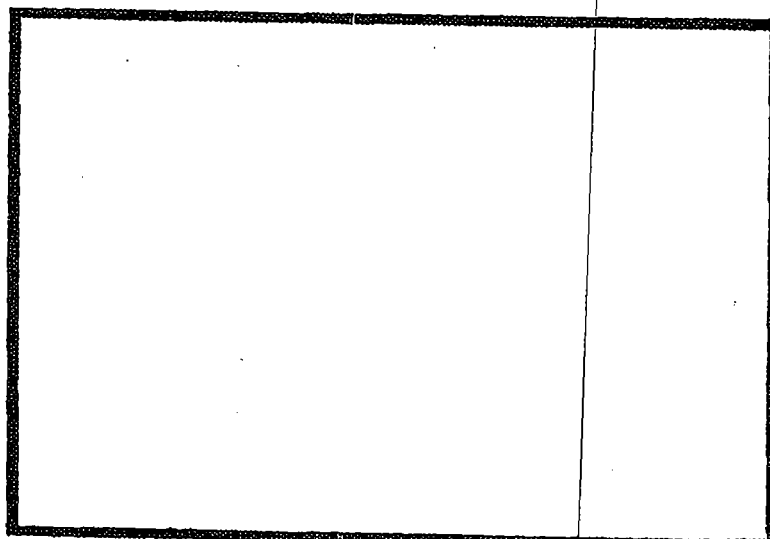
Inflate Straddle

Drill Collar Stands:	3
Drill Collar Singles:	0
Drill Pipe Stands:	62
Drill Pipe Singles:	0
Heavy Wt. Pipe Stands:	20
Heavy Wt. Pipe Singles:	0
Total Drill Collars/Pipe and Tools:	1626.66m
Total Drill Pipe Above K.B.:	1.66m
Total Depth:	1940m

Tool / Drill Stem Information:

Tool Weight:	2000.00 daN	21.84m
Drill Collar Inside Diameter:	54.00 mm	
Drill Collar Length:	54.49 m	33.45m
Drill Pipe Inside Diameter:	97.00 mm	
Drill Pipe Length:	1178.21 m	7.04m
Heavy Weight Pipe Diameter:	69.00 mm	
Heavy Weight Pipe Length:	372.12 m	4.57m
Bottom Choke Diameter:	12.70 mm	
Number of Packers: 2 Dia.:	196.90 mm	

Tool Remarks:



Depth:
1825m

7.04m

Depth:
1632m

4.57m

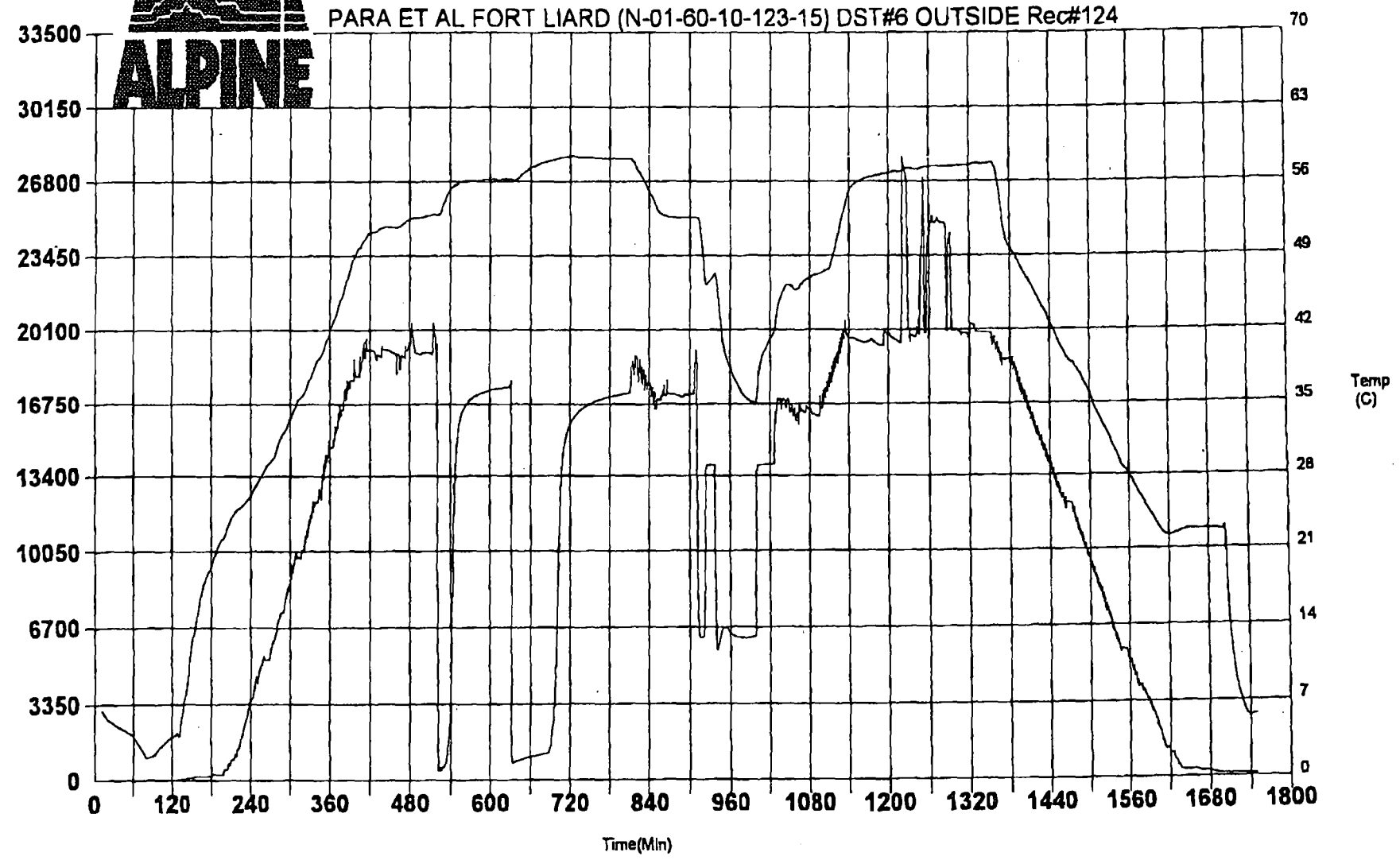
Total Depth: 1940.00m

Item	Length
P.O. Sub	0.31
DOUBLE PIN	0.31
P.O. Sub	0.31
HMV Stroke	2.18
Sampler	1.10
Telemetry Tool	6.80
Jars	2.10
Safety Joint	0.66
Pump	2.04
Screen	1.18
Valve	2.23
Deflate	0.85
Packer	1.78
T.C.	0.72
K-3 Carrier	2.20
Bypass Hanger	0.42
Blank Spacing	2.20
Bypass Receiver	0.78
T.C.	0.72
Packer	1.78
Extension Sub	0.71
Drag Spring	2.06



Time/Pressure Plot

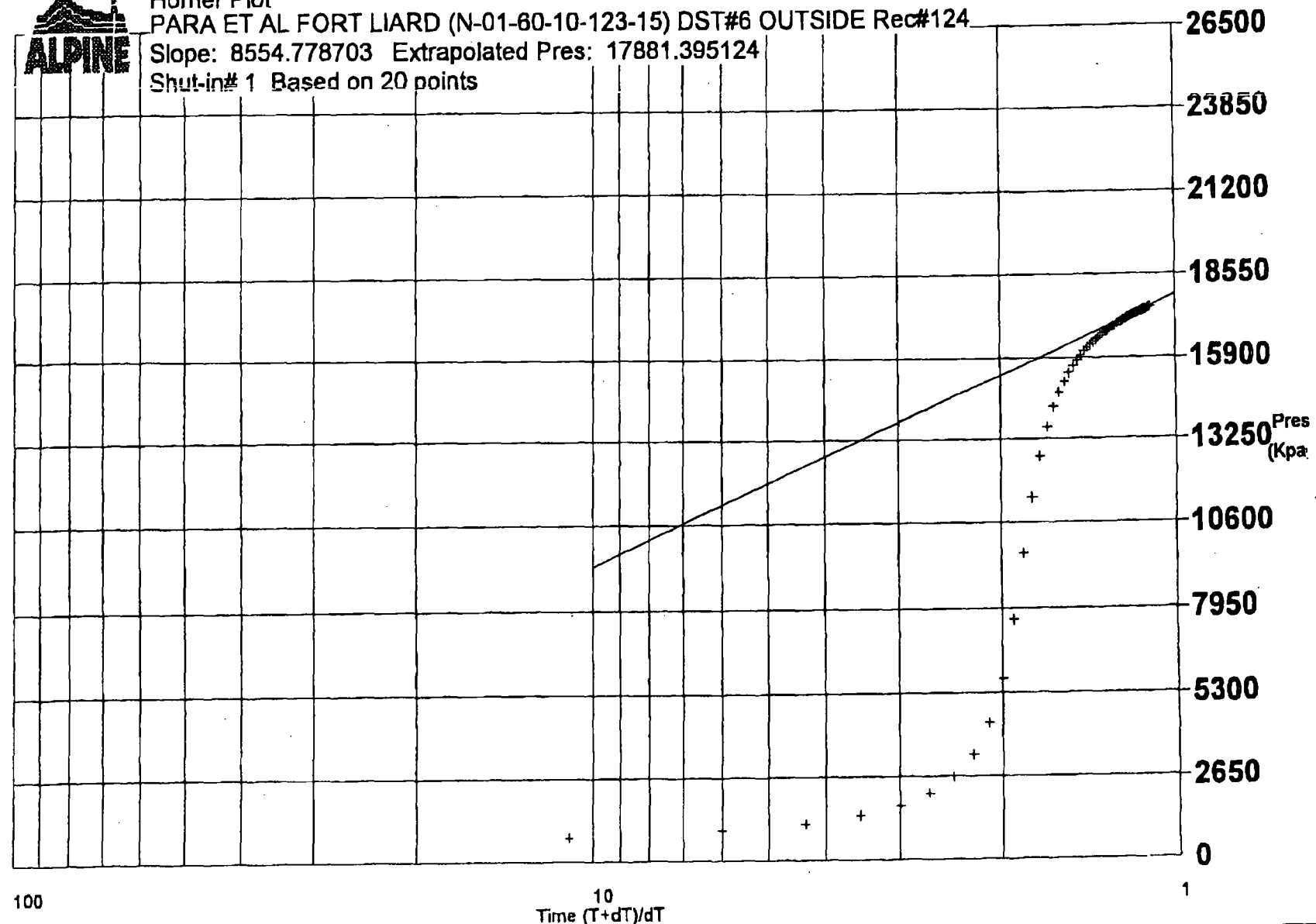
PARA ET AL FORT LIARD (N-01-60-10-123-15) DST#6 OUTSIDE Rec#124



- | | |
|-------------------------------|-----------------------------|
| A Initial Hydrostatic - 19088 | F End of 2nd Flow - 1215 |
| B Start of 1st Flow - 392 | G End of 2nd ShutIn - 17250 |
| C End of 1st Flow - 619 | Q Final Hydrostatic - 18831 |
| D End of 1st ShutIn - 17516 | |
| E Start of 2nd Flow - 733 | |

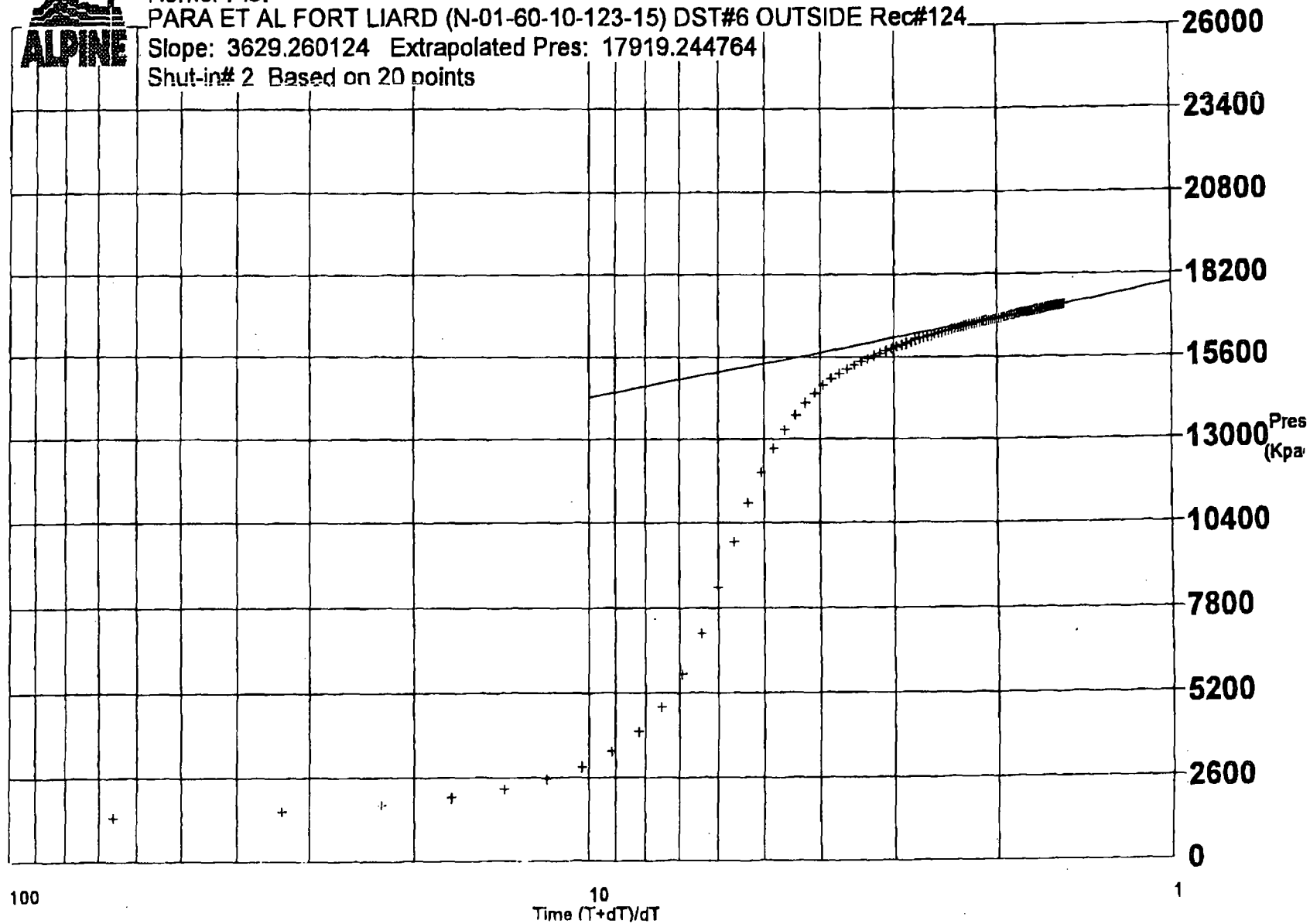


Horner Plot
 PARA ET AL FORT LIARD (N-01-60-10-123-15) DST#6 OUTSIDE Rec#124
 Slope: 8554.778703 Extrapolated Pres: 17881.395124
 Shut-in# 1 Based on 20 points





Homer Plot
PARA ET AL FORT LIARD (N-01-60-10-123-15) DST#6 OUTSIDE Rec#124
Slope: 3629.260124 Extrapolated Pres: 17919.244764
Shut-in# 2 Based on 20 points





Drill Stem Testing Report

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB
Contact: WILBERT CALLIHOO

Job Ticket #: D2-8620 DST#: 7
Test Date: 01/11/2001 1730hrs
Well Name: PARA ET AL FORT LIARD
Location: N-01-60-10-123-15

General Information:

Test Type: INFLATE RESET
Interval: 1457.50m - 1464.50m
Formation: FANTASQUE
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Gas

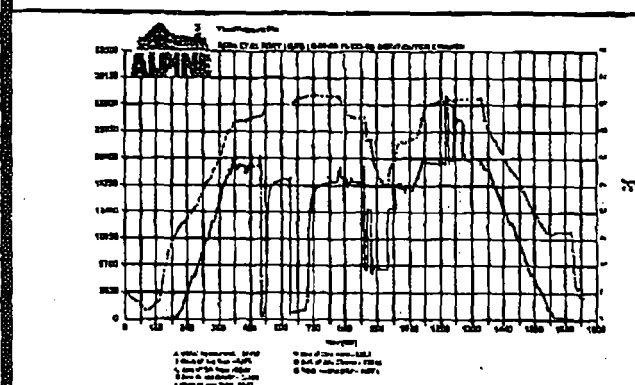
Tester: D. WHITE
Truck No.: Unit 677
Contractor: PRECISION
Rig No.: 387
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 42.00 C

Electronic Recorder Information:

OUTSIDE Recorder #: 124	FLUID Recorder #: 126
Range: 1000 kPa	Range: 10000 kPa
Depth: 1559.00 m	Depth: 1536.00 m
Flag Points:	Time: Pressure:
A Initial Hydrostatic	0.00 17188.9
B Start of 1st Flow	0.00 8376.1
C End of 1st Flow	8.00 6328.8
D End of 1st Shutin	15.00 13905.3
E Start of 2nd Flow	0.00 6644.7
F End of 2nd Flow	58.00 6281.3
G End of 2nd Shutin	27.00 13916.7
Q Final Hydrostatic	0.00 16971.3

Test Run Information:

Start Time: 1730hrs
Reached Test Depth: 1830hrs
Pull Out Time: 2100hrs
Tool Out Of Hole: 800hrs
Weight set on Packers: 6000.00daN
Weight to free Packers: 10000.00daN
Initial String Weight: 39000.00daN
Unseated String Weight: 42000.00daN
Tool Chased Dist: 0.00m Water Loss: 6.60cm³
Mud Type: GEL CHEMICAL Mud Drop: NO
Mud Weight: 1190.00kg/m³ VIS: 95.00S/L
Amount of Fill: 0.00m Filter Cake: 2.00mm
Amt of cushion: 0.00 Pump Time: 30min
Type of cushion: N/A Reversed Out: NO



General Remarks:

PREFLOW: Weak air blow increasing to strong in 15 seconds. Remaining strong throughout remainder of flow. Gas to surface in 1 1/2 minutes.

FINAL FLOW: Gas to surface immediately. Mud spray after 15 minutes cleaning up in 50 minutes.

*** See gas volume charts for gas rates.

Recovery Description:

Fluid recovery was reversed out before being recorded.

Gas to surface.

Gas Bomb: 2 Sampler: 1
Fluid Sample: 0 Sent to: AGAT LAB



Drill Stem Testing - Tool Diagram / Description

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8620 DST#: 7
Test Date: 01/11/2001 1730hrs

Well Name: PARA ET AL FORT LIARD
Location: N-01-60-10-123-15

Contact: WILBERT CALLIHOO

Inflate Straddle

Drill Collar Stands:	3
Drill Collar Singles:	0
Drill Pipe Stands:	53
Drill Pipe Singles:	0
Heavy Wt. Pipe Stands:	20
Heavy Wt. Pipe Singles:	0
Total Drill Collars/Pipe and Tools:	1460.72m
Total Drill Pipe Above K.B.:	2.78m
Total Depth:	1940m

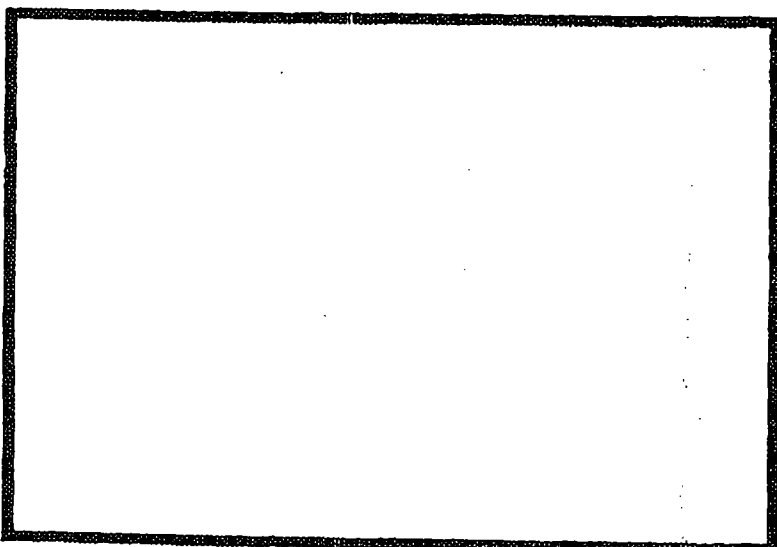
Tool / Drill Stem Information:

Tool Weight:	2000.00	daN
Drill Collar Inside Diameter:	54.00	mm
Drill Collar Length:	54.49	m
Drill Pipe Inside Diameter:	97.00	mm
Drill Pipe Length:	1011.97	m
Heavy Weight Pipe Diameter:	69.00	mm
Heavy Weight Pipe Length:	372.42	m
Bottom Choke Diameter:	12.70	mm
Number of Packers: 2 Dia.:	196.90	mm

21.84m

33.45m

Tool Remarks:



Depth:
1468m

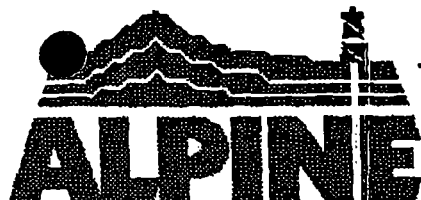
7.04m

Depth:
1465m

4.57m

Total Depth: 1940.00m

Item	Length
P.O. Sub	0.31
DOUBLE PIN	0.31
P.O. Sub	0.31
HMV Stroke	2.18
Sampler	1.10
Telemetry Tool	6.80
Jars	2.10
Safety Joint	0.66
Pump	2.04
Screen	1.18
Valve	2.23
Deflate	0.85
Packer	1.78
T.C.	0.72
K-3 Carrier	2.20
Bypass Hanger	0.47
Blank Spacing	2.20
Bypass Receiver	0.70
T.C.	0.72
Packer	1.78
Extension Sub	0.7
Drag Spring	2.0

**Drill Stem Testing - Gas Recovery Measurements**Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, ABJob Ticket #: D2-8620
Test Date: 01/11/2001 1730hrs
DST#: 7

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Gas Measurements for Flow # 1

Gas Recovery Measured With:

1

Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	22.23	1724	163831.00

Gas Measurements for Flow # 2

Gas Recovery Measured With:

Willis Choke

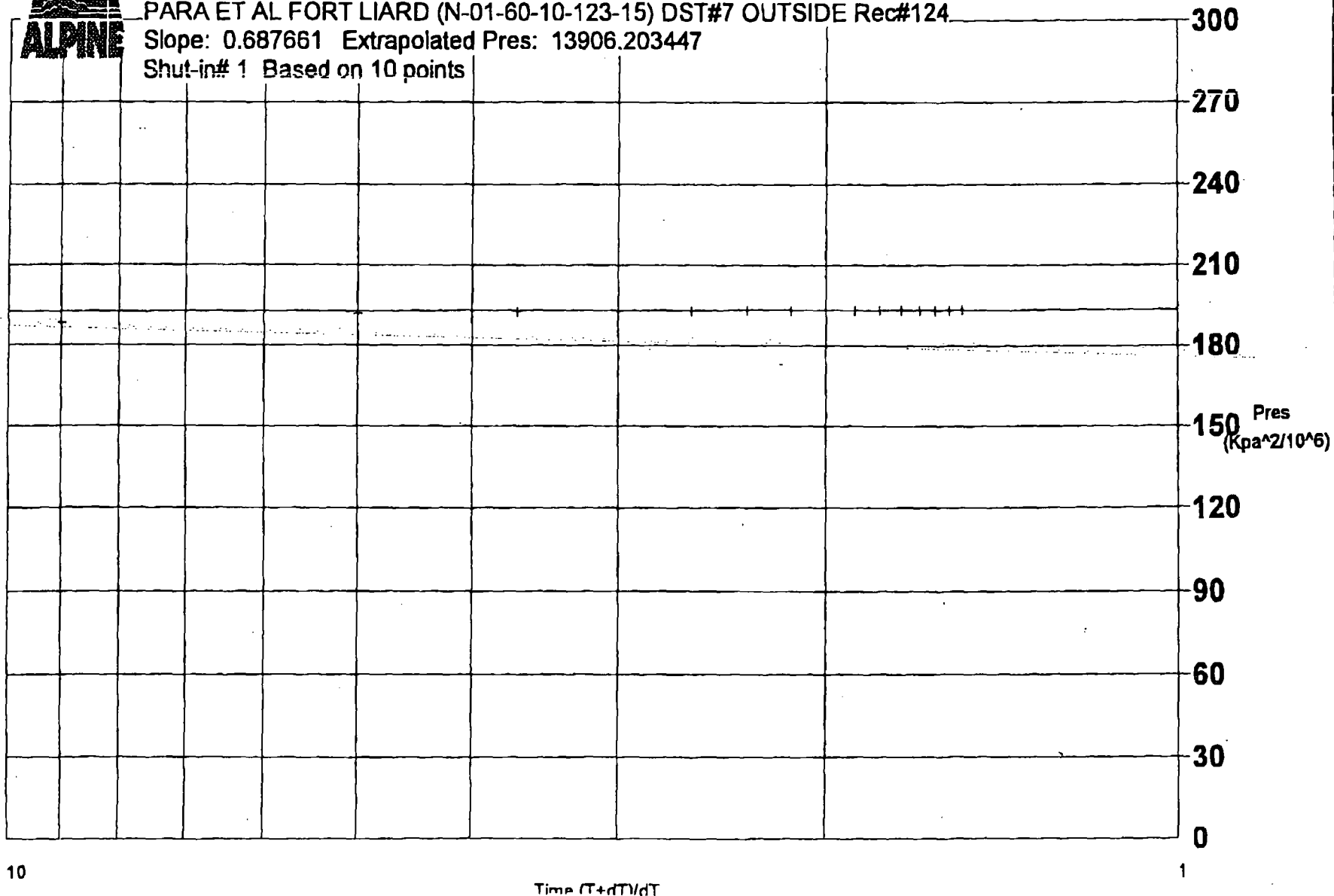
Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
5	22.23	1793	170022.00
10	22.23	1999	188593.00
15	22.23	2137	200974.00
20	22.23	2172	204069.00
25	22.23	2172	204069.00
30	22.23	2034	191688.00
35	22.23	1965	185498.00
40	22.23	1965	185498.00
45	22.23	1931	182402.00
50	22.23	1931	182402.00
55	22.23	1931	182402.00
60	22.23	1931	182402.00



Horner Plot
PARA ET AL FORT LIARD (N-01-60-10-123-15) DST#7 OUTSIDE Rec#124

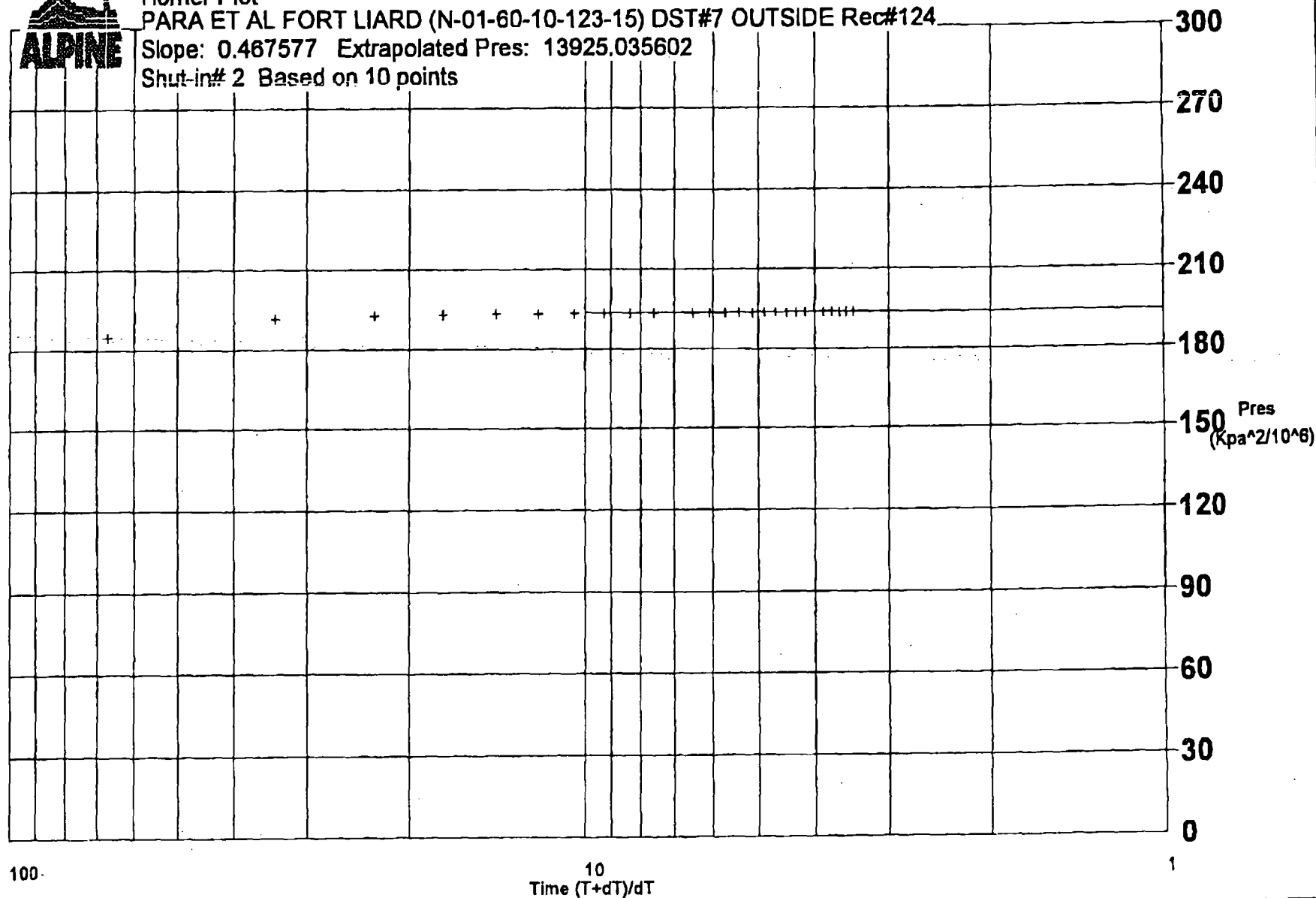
Slope: 0.687661 Extrapolated Pres: 13906.203447

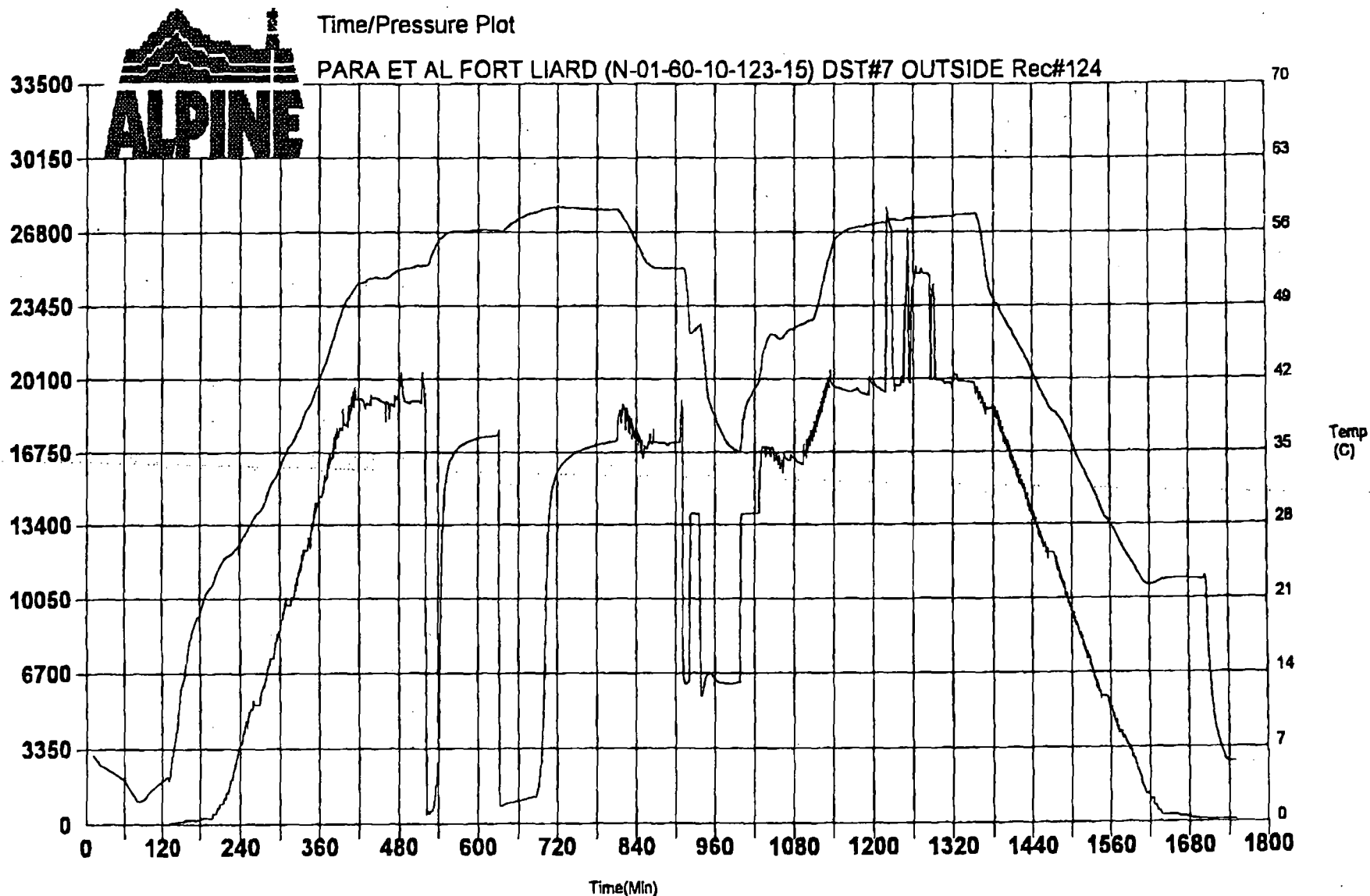
Shut-in# 1 Based on 10 points





Homer Plot
PARA ET AL FORT LIARD (N-01-60-10-123-15) DST#7 OUTSIDE Rec#124
Slope: 0.467577 Extrapolated Pres: 13925.035602
Shut-in# 2 Based on 10 points





A Initial Hydrostatic - 17189
B Start of 1st Flow - 6375
C End of 1st Flow - 6329
D End of 1st Shutin - 13905
E Start of 2nd Flow - 5645

F End of 2nd Flow - 6281
G End of 2nd Shutin - 13916
Q Final Hydrostatic - 16971



Drill Stem Testing Report

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8621 DST#: 8
Test Date: 01/12/2001 939hrs

Well Name: PARA ET AL FORT LIARD
Location: N-01-60-10-123-15

Contact: WILBERT CALLIHOO

General Information:

Test Type: INFLATE STRADDLE
Interval: 1368.00m - 1379.00m
Formation: BELLOY
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Gas

Tester: D. WHITE
Truck No.: Unit 677
Contractor: PRECISION
Rig No.: 387
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 50.00 C

Electronic Recorder Information:

OUTSIDE
Recorder #: 124
Range: 10000 kPa
Depth: 1370.00 m

FLUID
Recorder #: 126
Range: 10000 kPa
Depth: m

Flag Points:

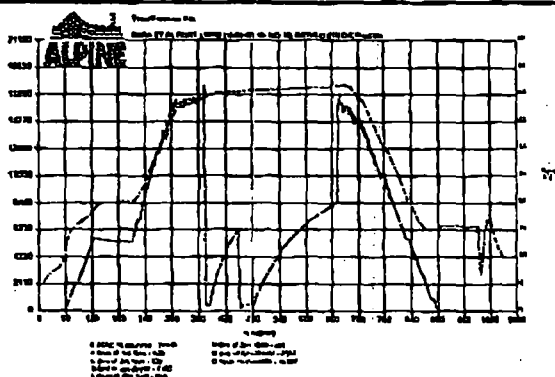
	Time:	Pressure:
A Initial Hydrostatic	0.00	16539.5
B Start of 1st Flow	0.00	406.3
C End of 1st Flow	8.00	428.2
D End of 1st Shutin	65.00	6292.9
E Start of 2nd Flow	0.00	253.5
F End of 2nd Flow	30.00	490.7
G End of 2nd Shutin	191.00	8509.4
Q Final Hydrostatic	0.00	16197.0

Test Run Information:

Start Time: 939hrs
Reached Test Depth: 1500hrs
Pull Out Time: 2030hrs
Tool Out Of Hole: 100hrs

Weight set on Packers: 6000.00daN
Weight to free Packers: 10000.00daN
Initial String Weight: 39000.00daN
Unseated String Weight: 39000.00daN

Tool Chased Dist: 0.00m Water Loss: 6.50cm³
Mud Type: GEL CHEMICAL Mud Drop: NO
Mud Weight: 1190.00kg/m³ VIS: 95.00S/L
Amount of fill: 0.00m Filter Cake: 2.00mm
Amt of cushion: 0.00 Pump Time: 30min
Type of cushion: Reversed Out: NO



General Remarks:

PREFLOW: Strong air blow throughout.

FINAL FLOW: Strong air blow throughout. Gas to surface in 2 minutes, lazy 2 meter flare decreasing to 1/2 meter after 30 minutes. Rates too small to measure.

Recovery Description:

Total fluid recovery was 35 meters of drilling fluid.

Gas to surface.

Gas Bomb: 1 Sampler: 1
Fluid Sample: 3 Sent to: AGAT LAB



Drill Stem Testing - Tool Diagram / Description

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8621
Test Date: 01/12/2001 939hrs

DST#: 8

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHO

Location: N-01-60-10-123-15

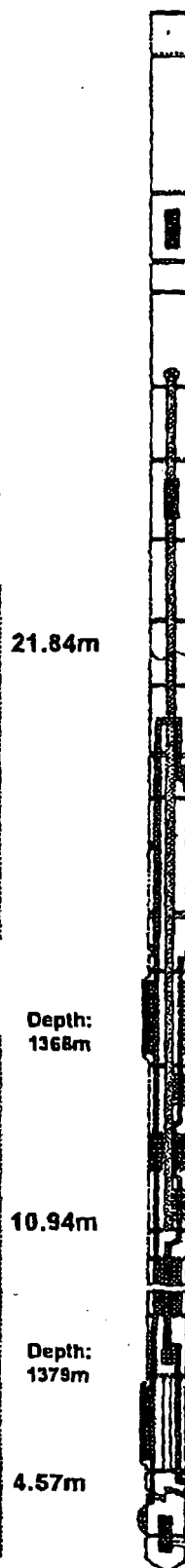
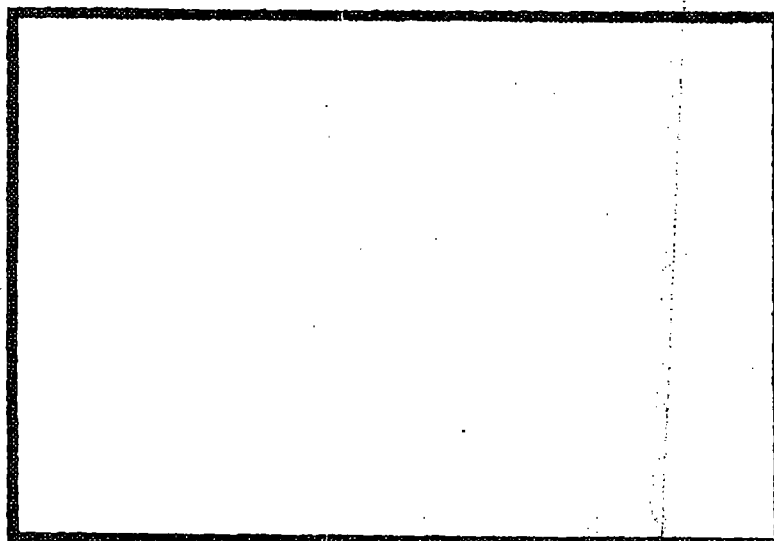
Inflate Straddle

Drill Collar Stands:	3
Drill Collar Singles:	0
Drill Pipe Stands:	68
Drill Pipe Singles:	1
Heavy Wt. Pipe Stands:	20
Heavy Wt. Pipe Singles:	0
Total Drill Collars/Pipe and Tools:	1370.60m
Total Drill Pipe Above K.B.:	2.67m
Total Depth:	1940m

Tool / Drill Stem Information:

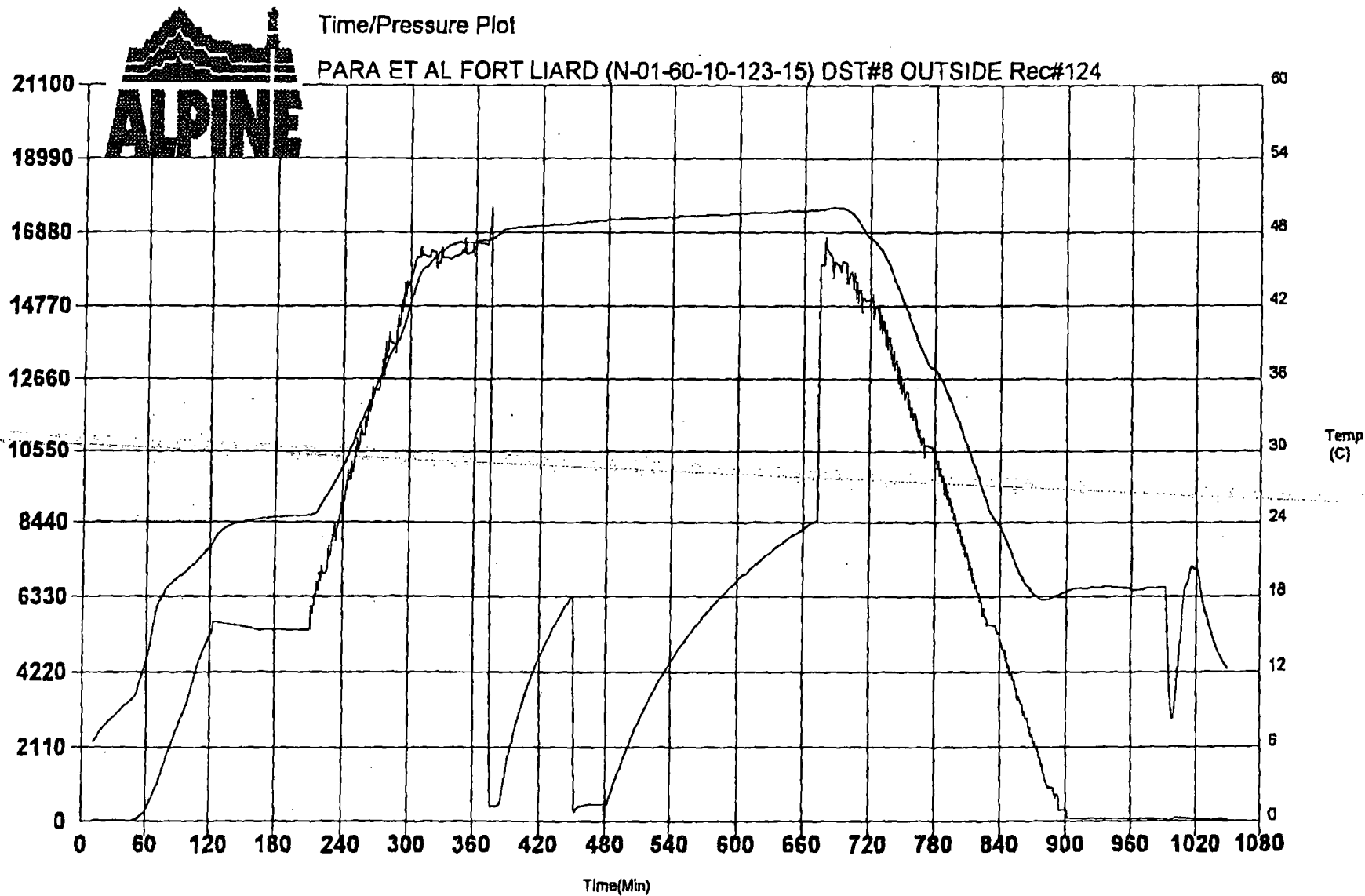
Tool Weight:	2000.00	daN
Drill Collar Inside Diameter:	54.00	mm
Drill Collar Length:	54.49	m
Drill Pipe Inside Diameter:	97.00	mm
Drill Pipe Length:	921.85	m
Heavy Weight Pipe Diameter:	69.00	mm
Heavy Weight Pipe Length:	372.42	m
Bottom Choke Diameter:	12.70	mm
Number of Packers: 2 Dia.:	196.90	mm

Tool Remarks:



Item	Length
P.O. Sub	0.31
DOUBLE PIN	0.31
P.O. Sub	0.31
HMV Stroke	2.18
Sampler	1.10
Telemetry Tool	6.80
Jars	2.10
Safety Joint	0.65
Pump	2.04
Screen	1.12
Valve	2.2
Deflate	0.8
Packer	1.7
T.C.	0.7
K-3 Carrier	2.2
Bypass Hanger	0.7
Blank Spacing	6.
Bypass Receiver	0.7
T.C.	0.
Packer	1.
Extension Sub	0
Drag Spring	2

Total Depth: 1940.00m



A Initial Hydrostatic - 16540
B Start of 1st Flow - 406
C End of 1st Flow - 428
D End of 1st Shutin - 6293
E Start of 2nd Flow - 254

F End of 2nd Flow - 491
G End of 2nd Shutin - 8509
Q Final Hydrostatic - 16197

PAR MOUNT RESOURCES LTD.
DAILY DRILLING REPORT

DRILLING REPORT DAY 35

DATE: 15/1/01

CUT OFF: 5.6 M

PROD CSG RPT

JAN-16-01 05:20 AM

P.05

PARAMOUNT RESOURCES LTD.**RUNNING AND CEMENTING****PRODUCTION CASING**O.D.: 177.8 MMWELL NAME: Para et al Ft. Liard LOC: N - 01 DATE: 15/1/01K.B. ELEVATION 492.10 CSG. FLG 5.00 TOTAL DEPTH (DRILLER) 1940

HOLE SIZE	222 mm	#REF!	
DEPTH M	1940 M	#REF!	1940

CSG IN HOLE	1941.9	#REF!	
DEPTH SET	1940	#REF!	

MUD TYPE: Gel-Chem WT: 1170 KG/MS VISC: 60 WL: 6BOP'S 9" X 3000**RUNNING**POWER TONGS Yes TORQUE: MAX: 4820 NM NOM 4480 NM MIN 3880
TIME PIPE START: 19:00 TIME ON BOTTOM 3:00 TIME CIRCULATED 4 Hrs.
FILL UP POINTS: 20 Jts. BOTTOM BY CSG 1940.8 UP FROM KB: 1.4**REMARKS:**

Ran Casing with Premier Ventures Power Tongs - Drifted Casing as it was being Picked up - Filled Casing Continuously as each Joint was Run in Hole and Stopped to Fill every 20 Jts. when Centralizers were put on over Casing Collars

CEMENTINGCEMENT CO: BJ Services OPERATOR: Don Ross AR. TIME: 12:00TYPES & QUANTITY OF CEMENT: 26 Tonnes 1:1:2 G + .5% CD-31 & 30 Tonnes 0:1:0 G + .6% NFL - 2HEIGHT TO BE CEMENTED 450M

FLUSH: 3m3 MIX TIME: START: 9:42 FIN: 10:48 WT: 1680kg/m3
 CALCULATED DISP 38.6m3 MEASURED DISP. 38.6m3 START: 10:53 FIN: 11:48
 DISPLACING FLUID Water MAX. PRESS 21,000 BUMP W/ 29500
 CEMENT RETURNS 7.8m3 FLOAT Held WORKED CSG WHILE CM1 4-5 M

REMARKS:

Mixing and Pumping Cement went Good - Only had Single Pumper for Cement Job - Displacing Plug was Slow with only 1 Pump and started to get Pressure Build up on Last 2m3 of Displacement - Got Plug Bumped and Floats Held O.K. - Had Cement Returns to Surface.

LANDINGTIME LANDED: 18:00 DATE: 15/1/01 WT. STRING (LESS BLOCKS) daN 58000WT. LANDED IN SLIPS: 40000 daN BOWL: Crown - Streamflo SIZE: 11" X 3000SERIES 900 SLIP & SEAL ASS: Crown - Streamflo**REMARK:**

Slips went into Casing Bowl with No Problems - Slack off on Blocks and Casing Slips Grabbed as Soon as Weight was put on Slips - Used Auto Slips and Seal - Cut off Casing to Fit into Tubing Hanger on Bottom of Wellhead.

AGENT OF OPERATOR: Wilbert Callihoo

RUN & CMT PROD

JAN-16-01 05:21 AM

V. 04

PARAMOUNT RESOURCES LTD.

PIPE TALLY

DATE: 15/1/01

WELL NAME Para et al Ft. Llard

LOCATION

N - 01

CONTRACTOR Precision Drilling - Rig # 379

PIPE DESCRIPTION 177.8 mm.

38.69 KG/M

GRADE J - 55

RANGE 3

CPLG LT & C

THREAD 8 Rd

MFG. IPSCO

NEW OR USED NEW

TYPE OF STRING PRODUCTION

TALLIED Rig Crew & Me

THREADS OFF

YES

LENGTH		LENGTH		LENGTH		LENGTH		LENGTH		LENGTH	
1	6.28	21	13.48	41	13.48	61	13.48	81	11.84	101	13.52
2	13.48	22	13.50	42	13.48	62	13.52	82	13.48	102	11.62
3	13.44	23	13.48	43	11.88	63	13.44	83	13.42	103	12.48
4	13.52	24	13.42	44	13.06	64	13.50	84	13.52	104	12.24
5	13.50	25	13.10	45	13.50	65	13.50	85	13.50	105	13.16
6	13.52	26	11.94	46	13.48	66	13.48	86	11.84	106	13.48
7	13.02	27	13.50	47	10.64	67	10.44	87	13.52	107	12.96
8	13.50	28	13.50	48	13.50	68	13.48	88	12.60	108	13.18
9	13.48	29	13.50	49	13.48	69	12.00	89	12.98	109	13.44
10	10.70	30	13.50	50	10.92	70	13.52	90	13.48	110	13.22
TTL		TTL		TTL		TTL		TTL		TTL	
1-10	124.44	21-30	132.92	41-50	127.42	61-70	130.36	81-90	130.18	101-110	129.30
11	13.50	31	13.52	51	13.50	71	11.78	91	12.88	111	13.16
12	13.42	32	13.02	52	13.08	72	13.44	92	13.52	112	13.38
13	13.52	33	13.48	53	13.62	73	13.52	93	11.96	113	13.20
14	13.46	34	12.00	54	13.50	74	12.88	94	13.54	114	12.80
15	13.56	35	11.96	55	13.50	75	13.52	95	13.50	115	13.28
16	13.50	36	13.24	56	13.26	76	13.48	96	13.24	116	13.20
17	13.52	37	13.38	57	13.50	77	13.76	97	13.50	117	13.44
18	12.66	38	13.52	58	12.64	78	11.88	98	13.28	118	13.28
19	13.48	39	13.48	59	13.52	79	13.48	99	13.50	119	13.16
20	13.50	40	11.98	60	13.18	80	12.56	100	13.52	120	13.40
TTL		TTL		TTL		TTL		TTL		TTL	
11-20	134.12	31-40	129.58	51-60	133.18	71-80	130.28	91-100	132.44	111-120	132.30
TTL		TTL		TTL		TTL		TTL		TTL	
01-20	258.56	21-40	262.50	41-60	260.60	61-80	260.64	81-100	262.62	101-120	261.60

TOTAL 1-20	258.56	PAGE 1 TOTAL	1566.52
TOTAL 21-40	262.50	PAGE 2 TOTAL	
TOTAL 41-60	260.60	FLOAT & SHOE	0.84
TOTAL 61-80	260.64	GRAND TOTAL:	1567.36
TOTAL 81-100	262.62		
TOTAL 100-120	261.80		
TOTAL 1-120	1568.52		

Shoe=	0.48
Float=	0.36
Shoe JL=	7.12

TOTAL JOINTS ON LOCATION 158

REMARKS:

AGENT OF OPERATOR: Wilbert Callihoo

PROD TALLY 1

JAN-16-01 05:22 AM

PARAMOUNT RESOURCES LTD.

PIPE TALLY

DATE: 15/1/01 PAGE 2 OF 2
 WELL NAME Para et al Ft. Liard LOCATION N-01
 CONTRACTOR Precision Drilling - Rig # 379
 PIPE DESCRIPTION 177.8 mm. 38.69 KG/M GRADE J-55 RANGE 3
 CPLG LT & C THREAD 8 Rd MFG. IPSCO NEW OR USED NEW
 TYPE OF STRING Production TALLIED Rig Crew & Me THREADS OFF Yes

LENGTH		LENGTH		LENGTH		LENGTH		LENGTH		LENGTH	
121	13.40	141	13.48	41		61		81		101	
122	11.42	142	13.40	42		62		82		102	
123	12.38	143	13.48	43		63		83		103	
124	10.72	144	13.50	44		64		84		104	
125	11.88	145	13.50	45		65		85		105	
126	12.08	146	13.50	46		66		86		106	
127	12.62	147	8.30	47		67		87		107	
128	11.88	148	9.60	48		68		88		108	
129	13.48	149	13.38	49		69		89		109	
130	11.90	150	13.50	50		70		90		110	
TTL 1-10	121.76	TTL 21-30	125.64	TTL 41-50		TTL 61-70		TTL 81-90		TTL 101-110	
131	11.98	151	13.50	51		71		91		111	
132	11.88	152	11.96	52		72		92		112	
133	13.08	153	13.52	53		73		93		113	
134	12.60	154	13.48	54		74		94		114	
135	11.94	155	13.50	55		75		95		115	
136	13.48	156	13.52	56		76		96		116	
137	13.52	157	9.40	57		77		97		117	
138	13.08	158	9.76	58		78		98		118	
139	13.22	159		59		79		99		119	
140	13.48	160		60		80		100		120	
TTL 11-20	128.28	TTL 31-40	98.64	TTL 51-60		TTL 71-80		TTL 91-100		TTL 111-120	
TTL 01-20	250.02	TTL 21-40	224.28	TTL 41-80		TTL 61-80		TTL 81-100		TTL 101-120	
TOTAL 1-20		250.02	PAGE 1 TOTAL			1587.36	TOTAL JOINTS ON LOCATION REMARKS:				
TOTAL 21-40		224.28	PAGE 2 TOTAL			474.30					
TOTAL 41-80			FLOAT & SHOE								
TOTAL 81-80			GRAND TOTAL:			2041.66					
TOTAL 81-100											
TOTAL 100-120											
TOTAL 1-120		474.30					AGENT OF OPERATOR: Wilbert Callihoo				

AGENT OF OPERATOR: Wilbert Callihoo

PROD TALLY 2

PARAMOUNT RESOURCES LTD.
BIT RECORD

Province NWT		Field LARD		Well Name PARA ET AL LARD		Operator PARAMOUNT RES.		Operator's Rep: Wilbert Callioo		Location: N-01		UID: EL-381									
Contractor PRECISION DRILLING		Rig # 379		Drawworks OIME - SD-3		Toolpusher Randy Stryme		Pump #1 P-28 Pump #2 D-500		Liner 155 152		STROKE 203 408		Licensed Formation MATTSON							
Drill Collars		No. 12 2		O.D. 172 208		I.D. 52 72		Conn. 5" H90 7" H-90		Date 12/12/00 12/17/00 12/18/00		Time 18:00 18:32 21:30		Remarks: Spredded: Set Surface: Under surface: Under inter: Total Depth: Released:		Licensed Depth 2000 License # WID-1802					
Tool Joints		1 2		Size 152.4 E		Grade E 24.71		Weight (114 MM XH)		Under inter: 1/5/01		Time 12:15		Day Work Surface TD		Meter 501					
BIT NO.	SIZE (mm)	MAKE RETI	TYPE GT-C1	SERIAL NO.	NOZZLE 1 2 3	DISPTH OUT	METERS DRILLED	HOURS	ACCUM. HOURS	R.O.P. (mm/hr)	WEIGHT (kg)	RPM	VBRT. DEV.	PUMP PRESS.	RATE (gpm)	MUD WT. VS. WL	SHOCK TOOL	NO. DC	DULL CONDITION Ti To MOC Loc B D RP		
1A	911.2	RETI	GT-C1	L71DM	15 15 15	291	291	36.25	36.25	8.26	10-12	160-180	1.00	8,800	2.26	1170	54	N/A	14 4 4 FC A 6 IN PR		
2A	311.2	SDGH	RETI	SDGH	700878	15 15 OPEN	501	210	41.75	77.00	5.03	4-10	170-180	1.00	10,500	2.26	1200	81	N/A	14 4 4 BS A 1 IN TD	
1	222	HTC	N/A	EP4727	P2501	12.7 12.7 12.7	988	485	26.50	103.50	18.30	6-16	60	1.20	10200	1.45	1090	38	N/A	12 2 2 NO A 2 IN TD	
2	222	VAREL	N/A	ETD30XG	152885	15.8 15.8 15.8	1404	418	52.00	155.50	8.04	14-16	80	0.50	10200	1.45	1130	67	8.5	N/A	12 6 8 LT H 8 14 TO
3	222	VAREL	N/A	ETD30XG	149558	17.5 17.5 17.5	1483	89	21.75	177.25	4.09	14-16	85	1.20	7560	1.24	1120	64	9.0	N/A	12 5 8 LT H 8 14 PR
4	222	HTC	N/A	AT-PSDC	E88ZY	17.5 17.5 17.5	1643	150	41.00	218.25	3.65	25000	55	1.80	8,300	1.24	1135	64	7.8	N/A	12 4 8 RO A 6 18 PR
5	222mm	SMITH	NO	F87OD	MG1662	17.5 17.5 17.5	1718	75	23.25	241.50	3.22	20000	55	1.10	8000	1.24	1150	64	7.5	N/A	12 6 8 RO A 6 18 PR
6	222mm	RBI	NO	C7LRQ9F	BZ398	17.5 17.5 17.5	1773	55	19.25	260.75	2.85	75000	55	1.80	8000	1.24	1145	70	8.0	N/A	12 6 8 BT A 7 20 PR
7	222mm	HUGHES	NO	AT-PSDC	H962B	17.5 17.5 17.5	1873	100	33.75	294.50	2.98	25,000	55	3.50	10500	1.24	1135	60	7.0	N/A	12 8 8 WT A 6 22 PR
8	222mm	RBI	NO	C8LRQDS	BZ398	19.1 19.1 19.1	1912	39	21.75	316.25	1.79	25000	55	2.80	8000	1.24	1140	82	7.0	N/A	12 4 8 V/T A 7 30 PR
9	222mm	SMITH	NO	F800-PS	MQ1754	19.1 19.1 19.1	1940	28	11.00	327.25	2.54	25000	55	2.88	8000	1.24	1140	76	8.5	N/A	12 5 8 RO A 4 14 PR

JAN-12-01 08:47 AM

P. 01

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:
WELL LICENCEN-01
WID 1902

SUPERVISOR: Wilbert Callihoo
 CELLULAR #: 780-940-8655
 SPUD DATE: 12/12/00
 R.R. DATE:
 CONTRACTOR: PRECISION #379
 A.F.E. #: 00N010054 EST. T.D. 2100

DAILY COST: \$49,000
 CUM. COST: \$1,728,000
 DAILY MUD: \$1,000
 CUM MUD: \$35,900

DAY: 31 REP DATE: 12/1/01 STATUS 08:00 Make up and Run in Test Tools
 DEPTH: 1940 PROG. KB: 492.10 GL: 487.00 MACP: 3398
 SURVEYS:

MUD TYPE: GEL CHEM WT: VISC: WL: FC PH:
 ADDITIVES:

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203						
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
1-TEST TOOL	198	82	21.84
6-DCs & SUBS	172	72	54.38
40-HEVI WATE PIPE	114	82	372.42
130-DRILL PIPE	114	101	1239.36
KELLY			
TOTAL			1688.00

TIME DISTRIBUTION

MOVE/RIG-UP RIG REP:
 DRILL MH & RH: LOGGING:
 RIG SERVICE: 0.50 CEMENT:
 SURVEY: WOC:
 PRESSURE TEST: RUN CSG:
 DRILL: DST: 11.50
 DRILL OUT: TRIP: 11.00
 CIRCULATE: 1.00 L.D.D.S.:
 NIPPLE UP BOP: REAM:
 HANDLE TOOLS FLOW CHECK
 BOP DRILL DRILLLINE
 TOTAL HOURS: 24.00

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCL2
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

Finish Circ and Condition Mud - Pump Pill - Blow Kelly - Pull out of Hole - Pick up - Make up & Run in Test Tools - Run in with Tools for DST # 6 - Position Packers - Pump up and Set Packers - Run DST # 6 - Did not get any Results on Test - No Blow or Flow when Tools Open on Pre-Flow or Final Flow - Shut in Tools - Deflate Packers and Pull up Hole 13 Stands and Single - Position Packers - Pump up and Set Packers - Open Tool and Run DST # 7 - Had Good Blow and Flare on Both Pre-Flow and Tool Open - Tested out @ 7mmcd when Flaring - Shut in Tool - Deflate Packers and Pull Loose - Run in to Below Test Zone for DST # 6 - Pick up Test Head and Rig up to Drop Bar and Reverse Circ. - Since Midnite have Dropped Bar and did not Open Tool to Circ - Pull up and Drop Second Bar - Got Tool opened and Reverse Circ. Out Fluid - Had Blow of Gas come up thru Hose when pumping out Fluid - Stop Pump and Well Stable - Pump Pill - Blow Kelly - Pulling out of Hole - Weather this A.M. - Overcast - Calm - Cool - Temp @ -20oC.

DRILLING REPORT DAY 24

Daily Geological Report

Paramount Resources Ltd.

Date: 12th January 2001

Country: Canada

Well: Paramount et al Ft. Liard N-01

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

Report No: DGR 20	Rig: Precision Rig #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 30	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: n/a	Hours Drilling: 0
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1180	Average ROP: n/a
Vib: 80	pH: 10.0	F.L.: 6.0	CI: -

24 Hour Operations Summary (00.00-24.00 hours)

Condition mud & circulate, POOH, make up DST #6 (1625-1632m), RIH, head up tool, run DST #6, pull loose, reset packers, run DST #7 (1458-1465m), pull loose, RIH to 1688m, head up to reverse circulate & drop bar.		
Midnight Depth: 11-01-01	1940m MD; -1448.8m TVDSS	Progress: 0m

Status at 0600 hours (12th Jan.)

Depth m MD KB	(TVD SS)	Formation
1940m	-1448.8m	Mattson
Present Operation: POOH		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		HI/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Mattson	1511	-1019.8	1517.2	-1026.0	1496.0	-1004.8	21.2
M1 Zone	1625	-1133.8	1626.2	-1135.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1731	-1239.8	1730.2	-1239.0			-0.8
M4 Zone	1755	-1263.8	1754.2	-1263.0			-0.8
M5 Zone	1779	-1287.8	1780.2	-1289.0			1.2
M6 Zone	1861	-1369.8	1840.2	-1349.0			-20.8
M7 Zone	1888?	-1396.8	1895.2	-1404.0			7.27
Mattson Fault	1914.5?	-1423.3	1960.2	-1469.0			

Next Operation (06:00 hours onwards): POOH, recover recorders, make up DST #8 (1368-1379m), RIH, run DST #8, POOH, recover recorders, make up bit, RIH for wiper trip.

Remarks:

Good morning, Scott. As you know, last evening's test of the Fantasque with the shortened 7m interval was successful and produced a flow rate of ~6.5million ft³/day. After pulling the tool free, we ran in 15 stands and then filled the pipe to circulate out the gas. We circulated out the gas for about one hour (until ~0200hrs) and then came out of the hole. We are currently recovering the recorders as of 0730hrs. I estimate it will be ~1300-1400hrs before we are ready to open the tool for DST #8. After the today's test we will run a wiper trip. We should be logging by tomorrow afternoon sometime. Loggers have been alerted.

Regards

G. Johansson Wellsite Geologist

Daily Geological Report**Paramount Resources Ltd.****Date: 11th January 2001****Country: Canada****Well: Paramount et al Ft. Liard N-01**

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

Report No: DGR 19	Rig: Precision Rig #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 29	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: n/a	Hours Drilling: 0
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1180	Average ROP: n/a
Vis: 80	pH: 10.0	F.L.: 6.0	CI: --

24 Hour Operations Summary (00.00-24.00 hours)

Complete DST #4, pull loose & reset packers for DST #5 (1738-1759m), run DST #5, POOH, recover recorders, wiper trip, break circulation & circulate out gas through choke, condition mud & circulate.			
Midnight Depth: 10-01-01	1940m MD	-1448.8m TVDSS	Progress: 0m

Status at 0600 hours (11th Jan.)

Depth m MD KB	(TVD SS)	Formation
1940m	-1448.8m	Mattson
Present Operation: Make up DST #6 (1625-1632m).		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		Hi/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Mattson	1511	-1019.8	1517.2	-1026.0	1496.0	-1004.8	21.2
M1 Zone	1625	-1133.8	1626.2	-1135.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1731	-1239.8	1730.2	-1239.0			-0.8
M4 Zone	1755	-1263.8	1754.2	-1263.0			-0.8
M5 Zone	1779	-1287.8	1780.2	-1289.0			1.2
M6 Zone	1861	-1369.8	1840.2	-1349.0			-20.8
M7 Zone	1888?	-1396.8	1895.2	-1404.0			7.27
Mattson Fault	1914.57	-1423.3	1960.2	-1469.0			

Next Operation (06:00 hours onwards): Make up DST #6, RIH, run DST #6, reset, run DST #7.**Remarks:**

Good morning, Scott. There is not much to report this morning. After recovering the recorders, we spent the rest of the day on a wiper trip and circulating out gas/conditioning the mud. We are currently making up DST #6 (1625-1632m) as of 0700hrs and should start to run in the hole by ~0730hrs. I estimate it will be ~1200hrs before we open up the tool to run DST #6.

Regards

G. Johannson Wellsite Geologist

01/11/2001 12:14 PAA

WEATHERFORD ALPINE

W002



Drill Stem Testing Report

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-9624 DST#: 3
Test Date: 01/08/2001 1200hrs

Well Name: PARA ET AL FORT LIARD
Location: N-01-60-10-123-15

Contact: WILBERT CALLIHOO

General Information:

Test Type: INFLATE STRADDLE
Interval: 1730.00m - 1751.00m
Formation: MATTSON
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Gas

Tester: D. ROSS
Truck No.: Unit 677
Contractor: PRECISION
Rig No.: 387
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 57.00 C

Electronic Recorder Information:

OUTSIDE
Recorder #: 126

Range: 35000 kPa
Depth: 1732.00 m

FLUID
Recorder #: 063

Range: 70000 kPa
Depth: 1706.00 m

Flag Points:

A Initial Hydrostatic
B Start of 1st Flow
C End of 1st Flow
E Start of 2nd Flow
F End of 2nd Flow
Q Final Hydrostatic

Time:

0.00 20612.6
0.00 13003.6
5.00 13878.8
0.00 12856.4
9.00 13877.0
0.00 19775.7

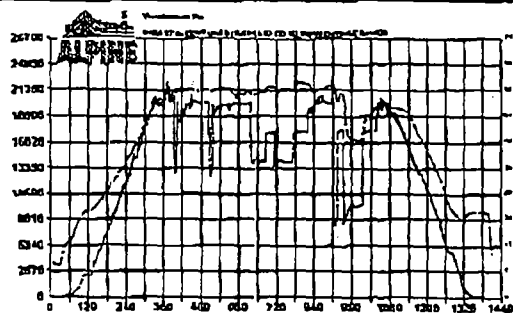
Pressure:

Test Run Information:

Start Time: 1200hrs
Reached Test Depth: 1730hrs
Pull Out Time: 2000hrs
Tool Out Of Hole: 2045hrs

Weight set on Packers: 8000.00daN
Weight to free Packers: 6000.00daN
Initial String Weight: 42000.00daN
Unseated String Weight: 45000.00daN

Tool Chased Dist: 0.00m Water Loss: 6.20cm³
Mud Type: GEL CHEMICAL Mud Drop: 2.00m
Mud Weight: 1180.00kg/m³ VIS: 76.00S/L
Amount of fill: 0.00m Filter Cake: 1.60mm
Amt of cushion: 0.00 Pump Time: 25min
Type of cushion: Reversed Out: NO



General Remarks:

PREFLOW: Strong air blow throughout. Gas to surface in 2 minutes with a 7 meter flare.

FINAL FLOW: Strong air blow throughout.

*** MAXIMUM GAS FLOW 457,679 m³/day 5,000 kPa through 22.23 mm choke.

Recovery Description:

Total fluid recovery for DST #3 through #5 was 55 meters, consisting of 25 meters condensate and 30 meters fresh water.

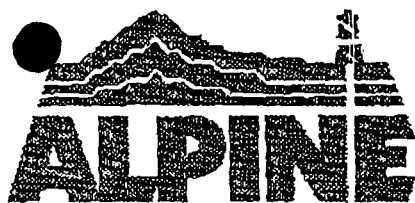
Gas to surface.

Gas Bomb: 1 Sampler: 1
Fluid Sample: 0 Sent to: AGAT LAB

01/11/2001 12:14 PAA

WEATHERFORD ALPINE

WY 003



Drill Stem Testing - Tool Diagram / Description

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8624 DST#: 3
Test Date: 01/08/2001 1200hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Inflate Straddle

Drill Collar Stands:	3
Drill Collar Singles:	0
Drill Pipe Stands:	67
Drill Pipe Singles:	1
Heavy Wt. Pipe Stands:	20
Heavy Wt. Pipe Singles:	0
Total Drill Collars/Pipe and Tools:	1735.36m
Total Drill Pipe Above K.B.:	5.36m
Total Depth:	1940m

Tool / Drill Stem Information:

Tool Weight:	2000.00 daN
Drill Collar Inside Diameter:	54.00 mm
Drill Collar Length:	54.49 m
Drill Pipe Inside Diameter:	97.00 mm
Drill Pipe Length:	1284.15 m
Heavy Weight Pipe Diameter:	69.00 mm
Heavy Weight Pipe Length:	372.12 m
Bottom Choke Diameter:	12.70 mm
Number of Packers: 2 Dia.:	196.90 mm

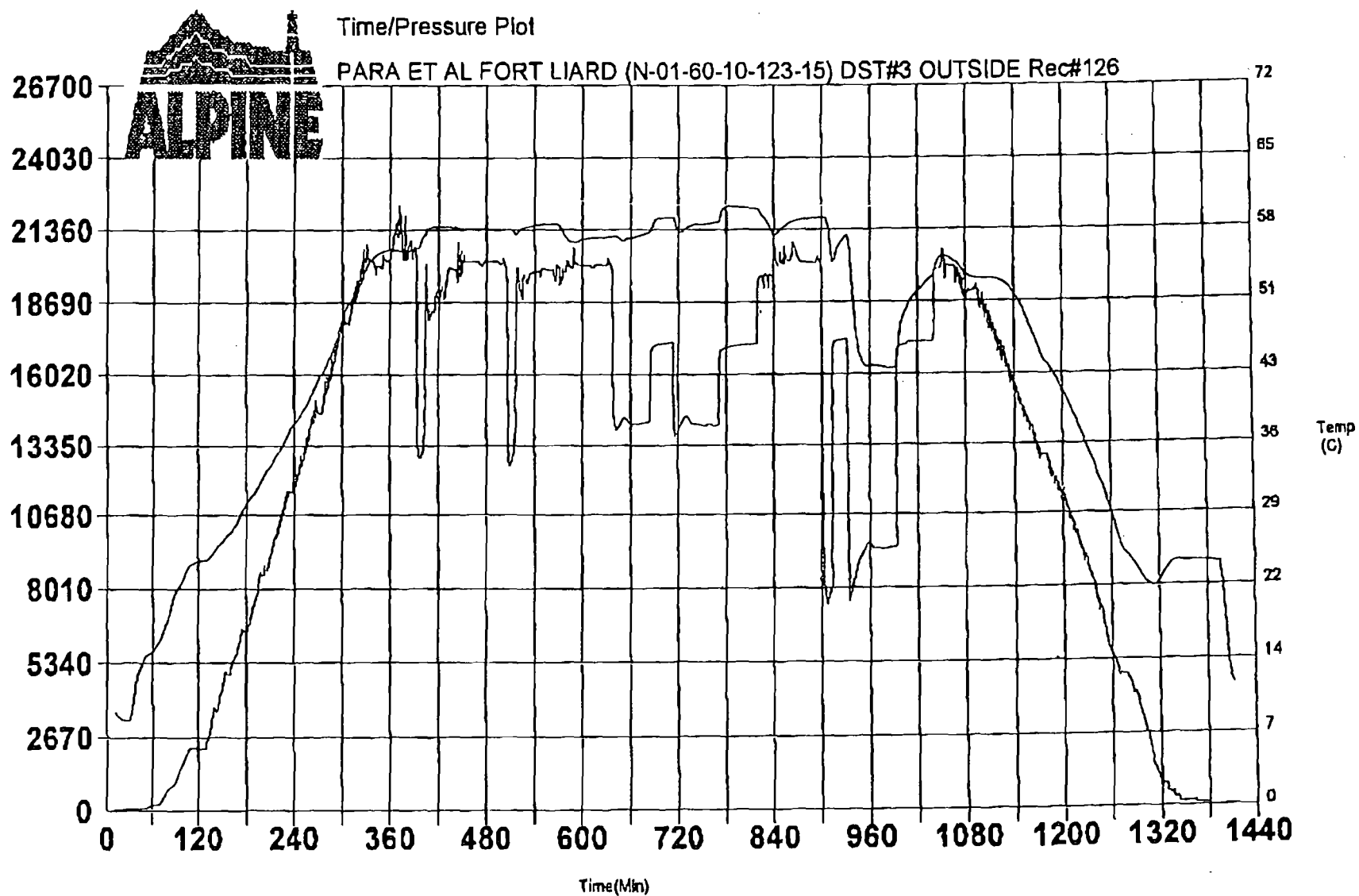
Tool Remarks:

Mud started to slowly drop 8 minutes into preflow. Shutin tool but had bad data from packer seal leak. Deflated and moved down 1 meter with the same results as the first attempted.
--



Item	Length
P.O. Sub	0.31
BIT SUB	1.04
DOUBLE PIN	0.31
P.O. Sub	0.31
FLUID REC#63	1.50
HMV Stroke	2.1E
Sampler	1.10
INSIDE REC#70	1.60
Telemetry Tool	5.80
Jars	1.80
Safety Joint	0.60
Pump	2.00
Screen	1.10
Valve	2.20
Deflate	0.80
Packer	1.70
T.C.	0.70
K-3 Carrier	2.20
Bypass Hanger	0.40
C.O. Sub	0.30
DRILL COLLAR	8.20
C.O. Sub	0.30
Blank Spacing	6.00
Bypass Receiver	0.70
T.C.	0.70
Packer	1.70
Extension Sub	0.70
Drag Spring	2.00

Total Depth: 1940.00m



A Initial Hydrostatic - 20613
B Start of 1st Flow - 13004
C End of 1st Flow - 13880
E Start of 2nd Flow - 12856
F End of 2nd Flow - 13977

Q Final Hydrostatic - 19776

01/11/2001 12:14 FAX

WEATHERFORD ALPINE

005



Drill Stem Testing Report

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-9625
Test Date: 01/09/2001 1200hrs

DST#: 4

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

General Information:

Test Type: INFLATE RESET
Interval: 1717.00m - 1738.00m
Formation: MATTSON
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Gas

Tester: D. ROSS
Truck No.: Unit 677
Contractor: PRECISION
Rig No.: 387
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 57.00 C

Electronic Recorder Information:

OUTSIDE
Recorder #: 126

Range: 35000 kPa
Depth: 1719.00 m

FLUID
Recorder #: 063

Range: 70000 kPa
Depth: 1717.00 m

Flag Points:

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	20062.7
B Start of 1st Flow	0.00	13984.0
C End of 1st Flow	42.00	14237.4
D End of 1st Shutin	28.00	17194.6
E Start of 2nd Flow	0.00	13686.5
F End of 2nd Flow	55.00	14092.8
G End of 2nd Shutin	48.00	17157.6
Q Final Hydrostatic	0.00	19687.7

Test Run Information:

Start Time: 1200hrs
Reached Test Depth: 2140hrs
Pull Out Time: 30hrs
Tool Out Of Hole: 1000hrs

Weight set on Packers: 8000.00daN
Weight to free Packers: 8000.00daN
Initial String Weight: 45000.00daN
Unseated String Weight: 45000.00daN

Tool Chased Dist: 0.00m
Mud Type: GEL CHEMICAL
Mud Weight: 1150.00kg/m³
Amount of fill: 0.00m
Amt of cushion: 0.00
Type of cushion:

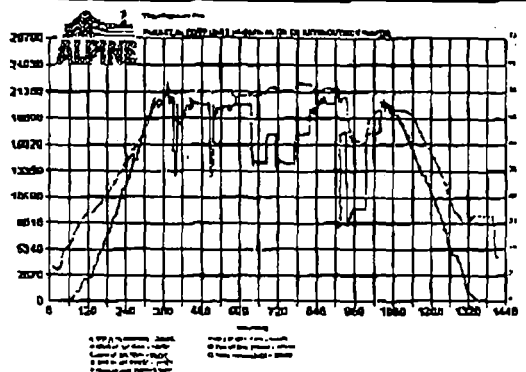
Water Loss: 6.20cm³
Mud Drop: NO
VIS: 78.00S/L
Filter Cake: 1.60mm
Pump Time: 30min
Reversed Out: NO

General Remarks:

PREFLOW: Gas to surface immediately.

FINAL FLOW: Gas to surface immediately, misting mud throughout.

***See gas volume charts for gas rates.

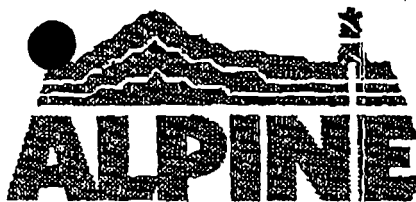


Recovery Description:

Total fluid recovery for DST #3 through #5 was 55 meters, consisting of 25 meters condensate and 30 meters fresh water.

Gas to surface.

Gas Bomb: 2 Sampler: 1
Fluid Sample: 0 Sent to: AGAT LAB



Drill Stem Testing - Tool Diagram / Description

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-9625 DST#: 4
Test Date: 01/09/2001 1200hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Inflate Straddle

Drill Collar Stands:	3
Drill Collar Singles:	0
Drill Pipe Stands:	66
Drill Pipe Singles:	1
Heavy Wt. Pipe Stands:	20
Heavy Wt. Pipe Singles:	0
Total Drill Collars/Pipe and Tools:	1720.57m
Total Drill Pipe Above K.B.:	3.57m
Total Depth:	1940m

Tool / Drill Stem Information:

Tool Weight:	2000.00 daN
Drill Collar Inside Diameter:	54.00 mm
Drill Collar Length:	54.49 m
Drill Pipe Inside Diameter:	97.00 mm
Drill Pipe Length:	1269.36 m
Heavy Weight Pipe Diameter:	69.00 mm
Heavy Weight Pipe Length:	372.12 m
Bottom Choke Diameter:	12.70 mm
Number of Packers: 2 Dia.:	196.90 mm

24.60m

49.93m

Depth:
1717m

20.76m

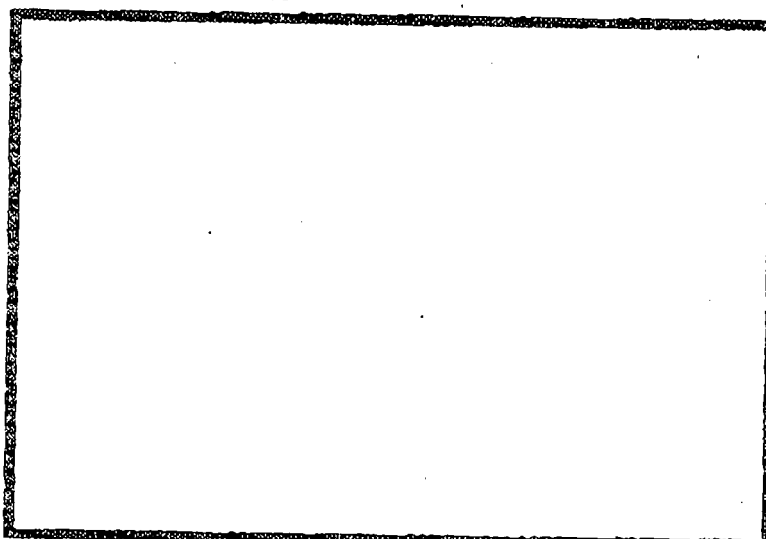
Depth:
1738m

4.57m

Total Depth: 1940.00m

Item	Length
P.O. Sub	0.31
BIT SUB	1.04
DOUBLE PIN	0.31
P.O. Sub	0.31
FLUID REC#83	1.50
HMV Stroke	2.18
Sampler	1.10
INSIDE REC#70	1.50
Telemetry Tool	5.80
Jars	1.82
Safety Joint	0.65
Pump	2.04
Screen	1.18
Valve	2.20
Deflate	0.80
Packer	1.70
T.C.	0.70
K-3 Carrier	2.20
Bypass Hanger	0.40
C.O. Sub	0.30
DRILL COLLAR	9.20
C.O. Sub	0.30
Blank Spacing	6.00
Bypass Receiver	0.70
T.C.	0.70
Packer	1.70
Extension Sub	0.70
Drag Spring	2.00

Tool Remarks:



**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-9625
Test Date: 01/09/2001 1200hrs

DST#: 4

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Gas Measurements for Flow # 1

Gas Recovery Measured With:

Willis Choke

Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
20	22.23	4700	431280.00
25	22.23	4800	439926.00
35	22.23	4800	439926.00
40	22.23	4900	449212.00
45	22.23	4900	449212.00

Gas Measurements for Flow # 2

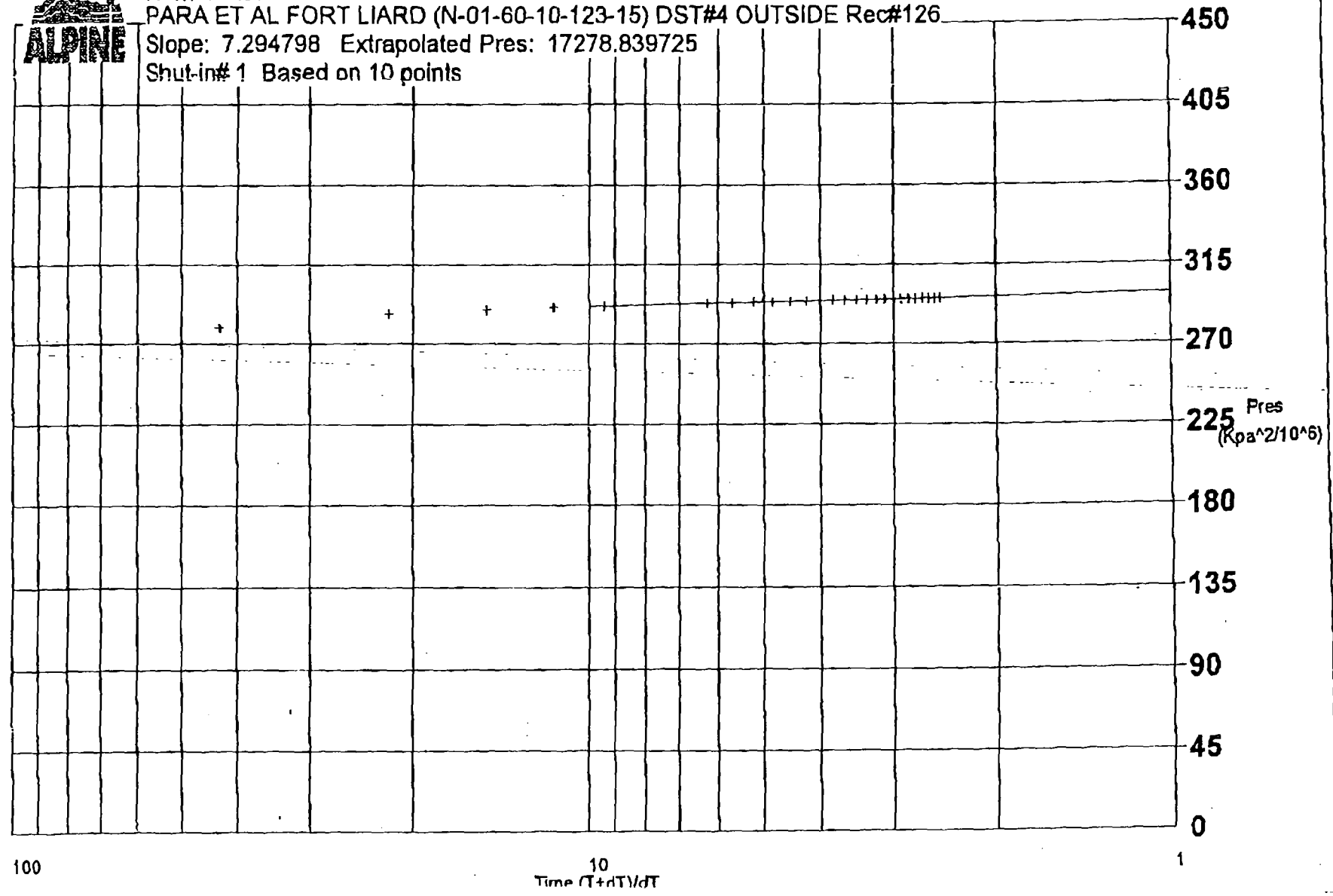
Gas Recovery Measured With:

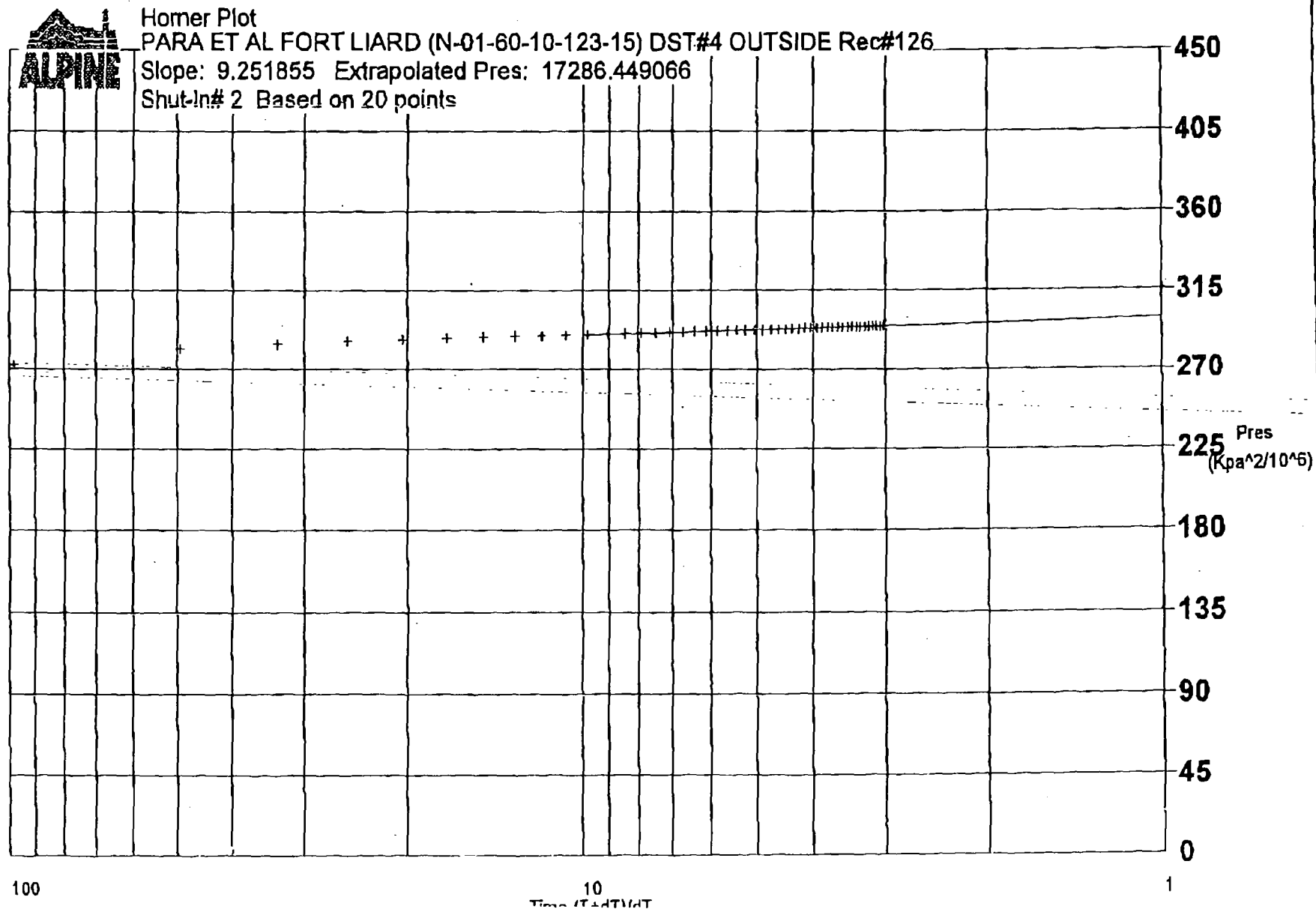
1

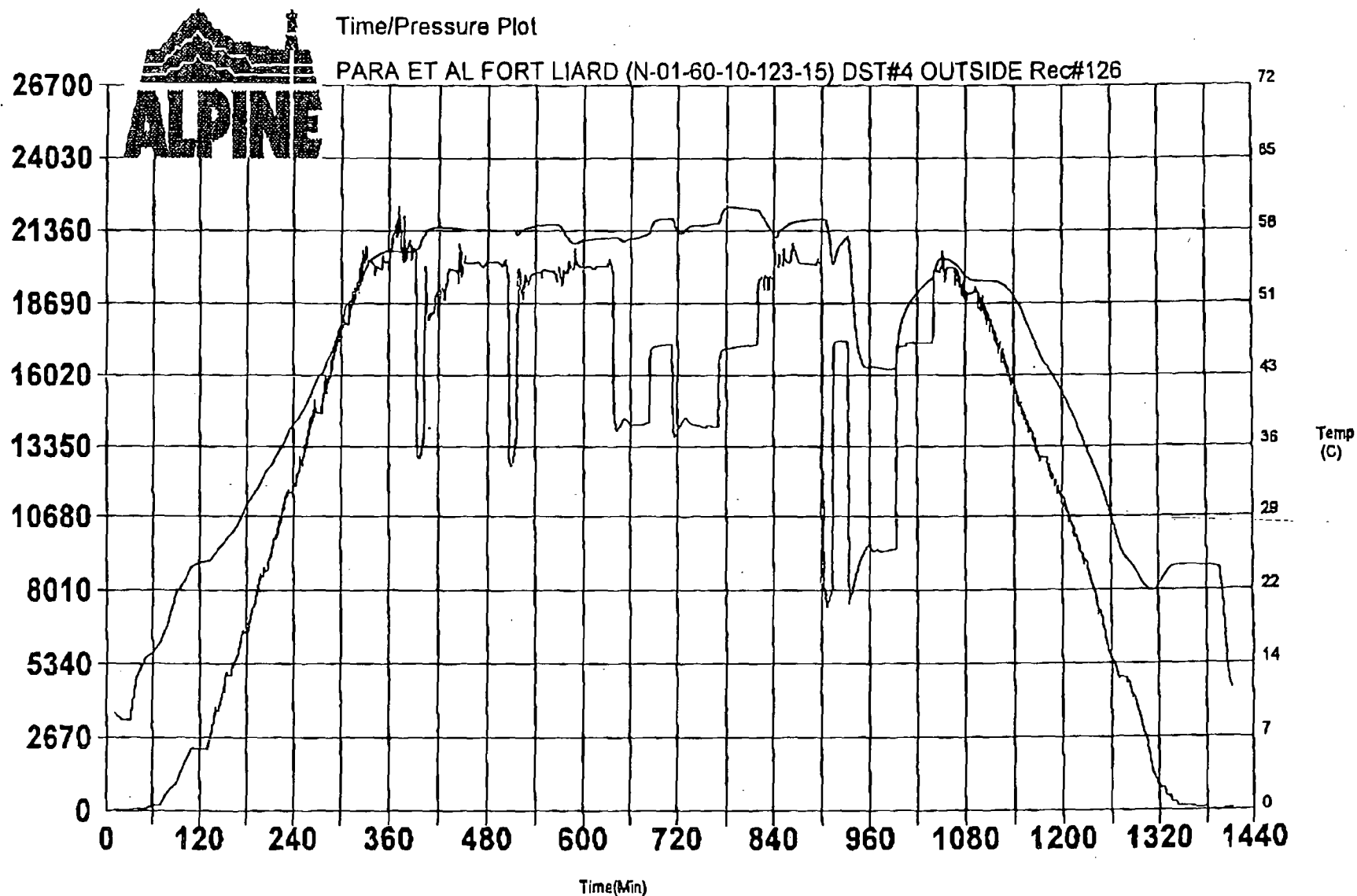
Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	22.23	4800	439926.00
20	22.23	4800	439926.00
30	22.23	4900	449212.00
40	22.23	4900	449212.00
50	22.23	5000	457679.00
60	22.23	5000	457679.00



Horner Plot
 PARA ET AL FORT LIARD (N-01-60-10-123-15) DST#4 OUTSIDE Rec#126
 Slope: 7.294798 Extrapolated Pres: 17278.839725
 Shut-in# 1 Based on 10 points

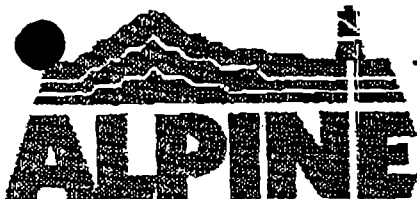






A Initial Hydrostatic - 20063
 B Start of 1st Flow - 13984
 C End of 1st Flow - 14237
 D End of 1st Shutin - 17195
 E Start of 2nd Flow - 13687

F End of 2nd Flow - 14093
 G End of 2nd Shutin - 17158
 Q Final Hydrostatic - 19688



Drill Stem Testing Report

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8751 DST#: 5
Test Date: 01/10/2001 1200hrs

Well Name: PARA ET AL FORT LIARD
Location: N-01-60-10-123-15

Contact: WILBERT CALLIHOO

General Information:

Test Type: INFLATE RESET
Interval: 1738.00m - 1759.00m
Formation: 1ST MID. BELLY RIVER
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Gas

Tester: D. ROSS
Truck No.: Unit 677
Contractor: PRECISION
Rig No.: 387
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 57.00 C

Electronic Recorder Information:

OUTSIDE
Recorder #: 126

Range: 35000 kPa
Depth: 1740.00 m

Flag Points:

A Initial Hydrostatic
B Start of 1st Flow
C End of 1st Flow
D End of 1st Shutin
E Start of 2nd Flow
F End of 2nd Flow
G End of 2nd Shutin
Q Final Hydrostatic

FLUID
Recorder #: 063

Range: 70000 kPa
Depth: 1714.00 m

Time:

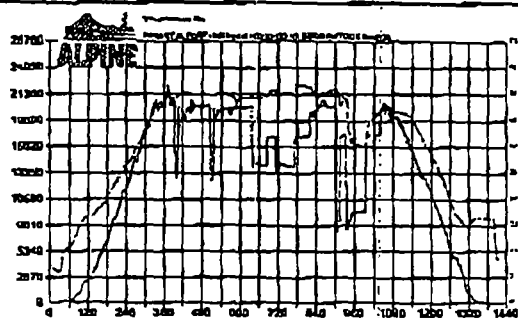
Pressure:
0.00 20172.7
0.00 8206.0
10.00 8060.3
19.00 17363.4
0.00 7527.9
59.00 9512.8
45.00 17232.8
0.00 19863.7

Test Run Information:

Start Time: 1200hrs
Reached Test Depth: 200hrs
Pull Out Time: 430hrs
Tool Out Of Hole: 1000hrs

Weight set on Packers: 8000.00daN
Weight to free Packers: 8000.00daN
Initial String Weight: 44000.00daN
Unseated String Weight: 45000.00daN

Tool Chased Dist: 0.00m Water Loss: 6.20cm³
Mud Type: GEL CHEMICAL Mud Drop: NO
Mud Weight: 1160.00kg/m³ VIS: 76.00S/L
Amount of fill: 0.00m Filter Cake: 1.60mm
Amt of cushion: 0.00 Pump Time: 30min
Type of cushion: Reversed Out: NO



General Remarks:

PREFLOW: Gas to surface immediately with a 6 meter flare. No rates taken for preflow.

FINAL FLOW: Gas to surface immediately, misting mud throughout.

***See gas volume charts for gas rates.

Recovery Description:

Total fluid recovery for DST #3 through #5 was 55 meters, consisting of 25 meters condensate and 30 meters fresh water.

Gas to surface.

Gas Bomb: 2 Sampler: 1
Fluid Sample: 4 Sent to: AGAT LAB



Drill Stem Testing - Tool Diagram / Description

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8751 DST#: 5
Test Date: 01/10/2001 1200hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALIHOO

Location: N-01-60-10-123-15

Inflate Straddle

Drill Collar Stands:	3
Drill Collar Singles:	0
Drill Pipe Stands:	67
Drill Pipe Singles:	1
Heavy Wt. Pipe Stands:	20
Heavy Wt. Pipe Singles:	0
Total Drill Collars/Pipe and Tools:	1739.92m
Total Drill Pipe Above K.B.:	1.92m
Total Depth:	1940m

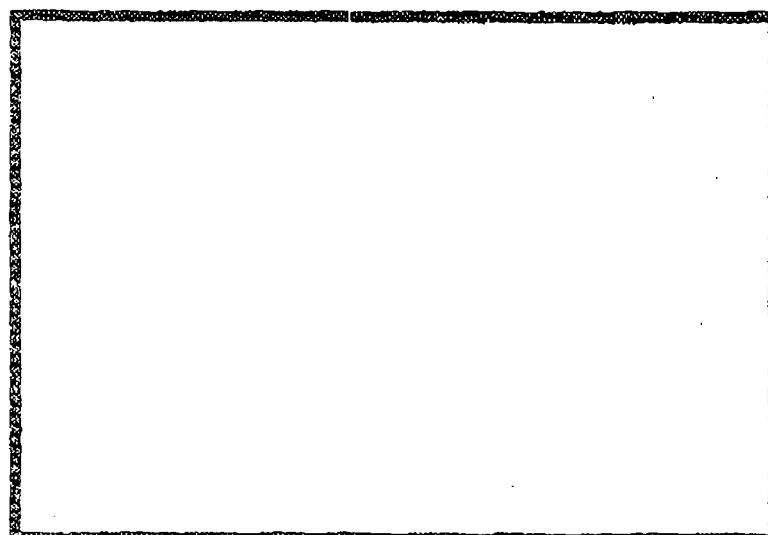
Tool / Drill Stem Information:

Tool Weight:	2000.00 daN
Drill Collar Inside Diameter:	54.00 mm
Drill Collar Length:	54.49 m
Drill Pipe Inside Diameter:	97.00 mm
Drill Pipe Length:	1288.71 m
Heavy Weight Pipe Diameter:	69.00 mm
Heavy Weight Pipe Length:	372.12 m
Bottom Choke Diameter:	12.70 mm
Number of Packers: 2 Dia.:	196.90 mm

24.60m

49.93m

Tool Remarks:



Depth:
1738m

20.76m

Depth:
1759m

4.57m

Total Depth: 1940.00m

Item	Length
P.O. Sub	0.31
BIT SUB	1.04
DOUBLE PIN	0.31
P.O. Sub	0.31
FLUID REC#83	1.60
HMV Stroke	2.18
Sampler	1.10
INSIDE REC#70	1.60
Telemetry Tool	5.80
Jars	1.87
Safety Joint	0.66
Pump	2.04
Screen	1.19
Valve	2.27
Deflate	0.81
Packer	1.77
T.C.	0.77
K-3 Carrier	2.27
Bypass Hanger	0.47
C.O. Sub	0.37
DRILL COLLAR	9.27
C.O. Sub	0.37
Blank Spacing	6.07
Bypass Receiver	0.77
T.C.	0.77
Packer	1.77
Extension Sub	0.77
Drag Spring	2.07

01/11/2001 12:01 P.M.

HEATHERFORD ALPINE

WVLS

**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.
4700, 888 - 3rd Street S.W.
CALGARY, AB

Job Ticket #: D2-8751 DST#: 5
Test Date: 01/10/2001 1200hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Gas Measurements for Flow # 2

Time (min.)	Gas Recovery Measured With:		Willis Choke
	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	19.50	2200	138232.00
20	19.50	3400	210320.00
30	22.23	3500	323545.00
40	22.23	3500	323545.00
50	22.23	3500	323545.00
60	22.23	3500	323545.00

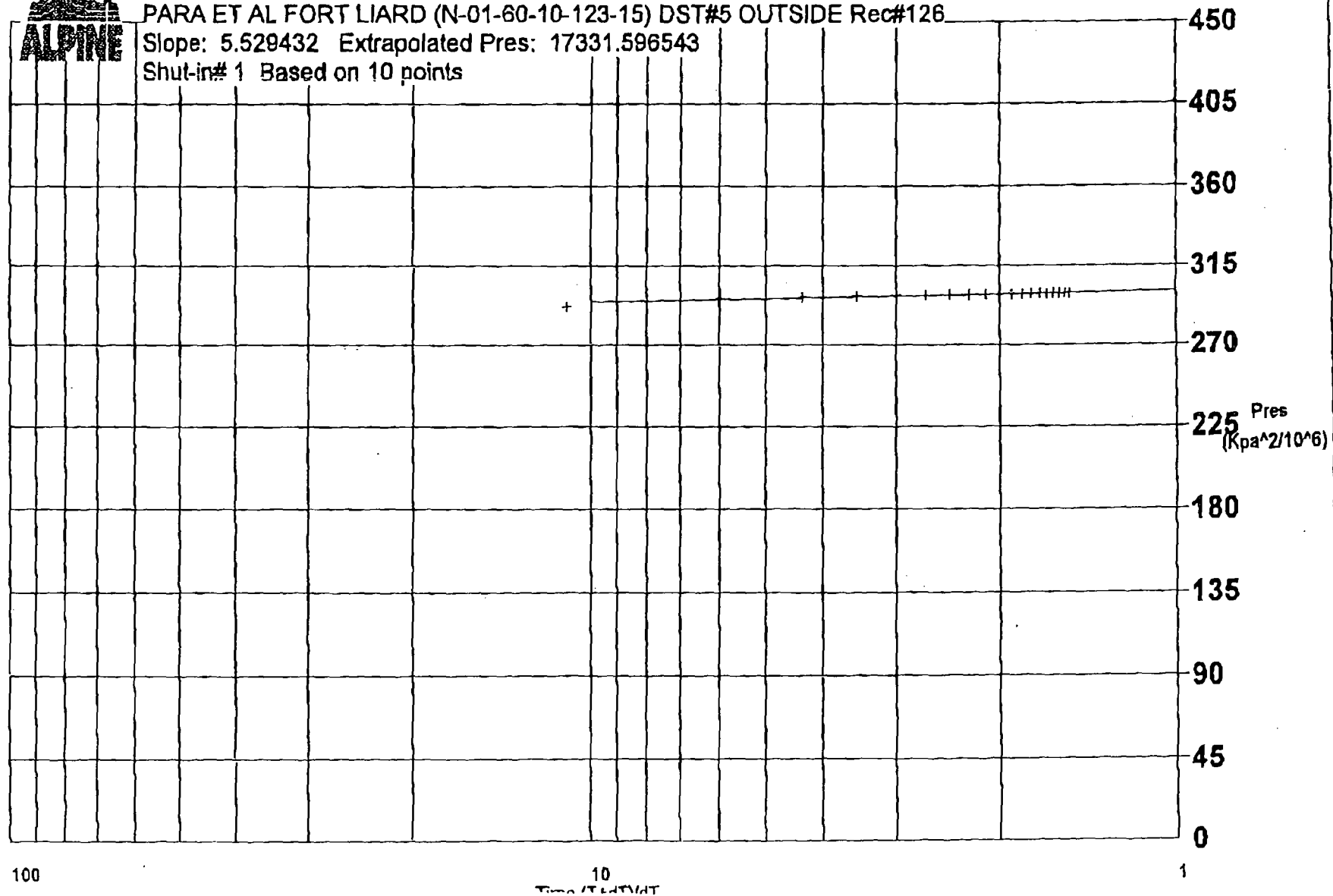


Horner Plot

PARA ET AL FORT LIARD (N-01-60-10-123-15) DST#5 OUTSIDE Rec#126

Slope: 5.529432 Extrapolated Pres: 17331.596543

Shut-in# 1 Based on 10 points



JAN-10-01 09:10 AM

PAR MOUNT RESOURCES LTD

DAILY DRILLING REPORT

PARA ET AL FORT LIARD

UNIQUE ID. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: Wilbert Callihoo

CELLULAR #: 780-940-8655

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D 2100

DAILY COST: \$50,000

CUM. COST: \$1,633,000

DAILY MUD: \$2,500

CUM MUD:	\$31,900
----------	----------

DAY:	29	REP DATE:	10/1/01	STATUS	08:00 Pull out of Hole With Test Tools
DEPTH:	1940	PROG.		KB:	492.10
SURVEYS:				GL:	487.00
					MACP: 3398

MUD TYPE:	GEL CHEM	WT: 1160	VISC: 76	WL: 6.2	FC 2.0	PH: 10
ADDITIVES:	1 Sack Caustic - 66 Sax Barite					

[illegible]

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203						
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
Bit			
Test Tools	114	82	49.92
6-DRILL COLLARS	172	72	54.40
1-XO SUB	172	58	0.46
40-HEVI WATE PIPE	114	82	371.68
136-DRILL PIPE	114	101	1264.50
KELLY			
TOTAL			1740.96

CASING SUMMARY

RAN	40	JTS OF	244.5 MM,	53.57	KG/M,	J-55	SURFACE CASING.
LANDED AT	500.75	MKB.	TOTAL LENGTH	501.24	METERS.		
CEMENTED WITH	27 TONNES 0:1:0 "G" W/1% CaCl ₂						
PLUG DOWN AT	18:32 HRS. ON	12/17/00	WITH	10.5	M3 CEMENT RETURNS.		

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.50	CEMENT:	
SURVEY:		WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:		DST:	10.00
DRILL OUT:		TRIP:	9.50
CIRCULATE:	4.00	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	
HANDLE TOOLS		FLOW CHECK	
BOP DRILL		DRILLLINE	

Circ - Condition Mud and Hole - Mixing Barite and Brought Mud Density up to 1150 Kg/m3 after First Circ. - Continue to Circ and Mix Mud Products for another Full Circ - Were able to Circ with Annular Preventer Open after First Circ - Got Mud Properties up to Required Areas - Vls @ 76 - Wt @ 1180 Kg/m3 - Water Loss @ 6.0 Pull out of Hole - Hole seems Very Stable when out of Hole - No Bubbling or Burping in BOP Stack - Pick up and Make up Test Tools for DST #3 - Run In with Tools - Pump up and Set Packers - Run DST #3 - Tool opened O.K. - Start to get Leakage Past Packers - Had Good Gas Blow when Tool Opened - Shut in Tool & Deflate Packers - Work Packers Up and Down Hole - Pump up and Reset Packers - Open Tool - Good Gas Blow - Have 21M Interval in Test Tools - Had Moved Packers Up Hole 1M and had Good Gas Blow - Shut in Tools - Deflate Packers and Move Up Hole 13M - Pump up and Reset Packers - Held O.K. - Had Good Gas Blow - Will be Moving Test Tools Down Hole to Reset and Conduct another Test - Had Reset and Test O.K. Weather - Clear - Calm - Cool - Temp @ 90C. DRILLING REPORT DAY

DRILLING REPORT DAY 24

JHN-10-01 08:45 HPI

Daily Geological Report**Paramount Resources Ltd.****Date: 10th January 2001****Country: Canada****Well: Paramount et al Ft. Liard N-01**

To	Attention	Fax Number
Paramount Resources Ltd.	Paul Price	(403) 266-8032

Report No: DGR 18	Rig: Precision Rig #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 28	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: n/a	Hours Drilling: 0
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1160	Average ROP: n/a
Vis: 78	pH: 10.0	F.L.: 6.0	Cl: --

24 Hour Operations Summary (00.00-24.00 hours)

Condition mud & circulate, POOH, make up DST #3 (1730-1751m), RIH with DST #3, head up tool & run DST #3, packer seat failed, reset packers @ 1731-1752m, run DST #3, packer seat failed, reset packers @ 1717-1738m, run DST #4-Reset.

Midnight Depth: 09-01-01 1940m MD; -1448.8m TVDSS Progress: 0m

Status at 0600 hours (10th Jan.)

Depth m MD KB	(TVD SS)	Formation
1940m	-1448.8m	Mattson
Present Operation: POOH with DST #5 (1738-1759m).		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		Hi/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Mattson	1511	-1019.8	1517.2	-1026.0	1496.0	-1004.8	21.2
M1 Zone	1625	-1133.8	1626.2	-1135.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1731	-1239.8	1730.2	-1239.0			-0.8
M4 Zone	1755	-1263.8	1754.2	-1263.0			-0.8
M5 Zone	1779	-1287.8	1780.2	-1289.0			1.2
M6 Zone	1861	-1369.8	1840.2	-1349.0			-20.8
M7 Zone	1888.7	-1396.8	1895.2	-1404.0			7.2?
Mattson Fault	1914.5?	-1423.3	1960.2	-1469.0			

Next Operation (06:00 hours onwards): POOH & recover recorders, wiper trip.

Remark:

Good morning, Paul. We were able to get another good test on the reset for DST #5 (1738-1759m). The flow rates for this interval were quite impressive (i.e., ~10 million ft³/day). The results of DST #5 are attached to this report. We are currently coming out of the hole with DST #5 and should recover the recorders by ~1000hrs.

Regards

G. Johansson Wellsite Geologist



Real Time Testing Report

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5159

DST#: 3

Test Date: 01/09/2001 1200hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-80-10-123-15

General Information:

Test Type: INFLATE STRADDLE
Interval: 1730m -1751m
Formation: MATTSON
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Gas

Tester: BILL HOLLINGSHEAD
Truck No.: UNIT #114
Contractor: PRECISION
Rig No.: 379
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 55.00 C

Telemetry Recorder Information:

INSIDE

Recorder #: 934

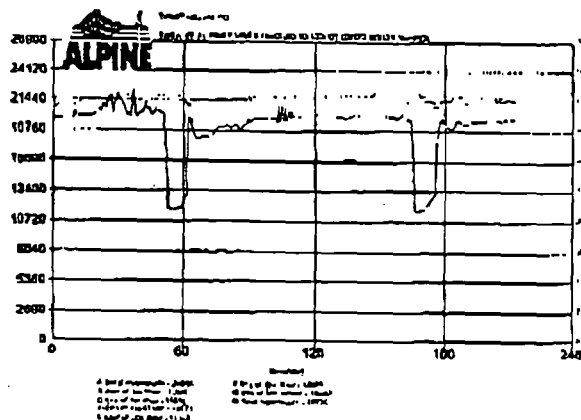
Depth: 1718.00 m

Flag Points:

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	20055.6
B Start of 1st Flow	0.00	11607.8
C End of 1st Flow	8.84	13216.3
D End of 1st Shutin	6.00	18070.7
E Start of 2nd Flow	0.00	11827.2
F End of 2nd Flow	8.52	12974.7
G End of 2nd Shutin	8.84	18849.4
Q Final Hydrostatic	0.00	19799.2

Test Run Information:

Start Time: 1200hrs
Reached Test Depth: 1735hrs
Pull Out Time: 2000hrs
Tool Out Of Hole:
Water Loss: 6.20cm³
Mud Drop: NO
VIS: 76.00S/L
Filter Cake: 0.00mm
Pump Time: 30min
Reversed Out: NO
Mud Type: GEL CHEMICAL
Mud Weight: 1160.00kg/m³
Amount of fill: 0.00m
Amount of cushion: 0.00
Type of cushion: N/A



General Remarks:

WELL LIC. # 1902

TEST TIMES

TOOL OPEN FOR PREFLOW AT 17:35 JAN. 09, 2001

PREFLOW: Strong air blow immediately gas to surface in 2 minutes strong 7metre flare increasing. Mud started to slowly drop in annulus at 8 minutes and tool was shut-in however shut-in is not valid due to a packer seal leak.

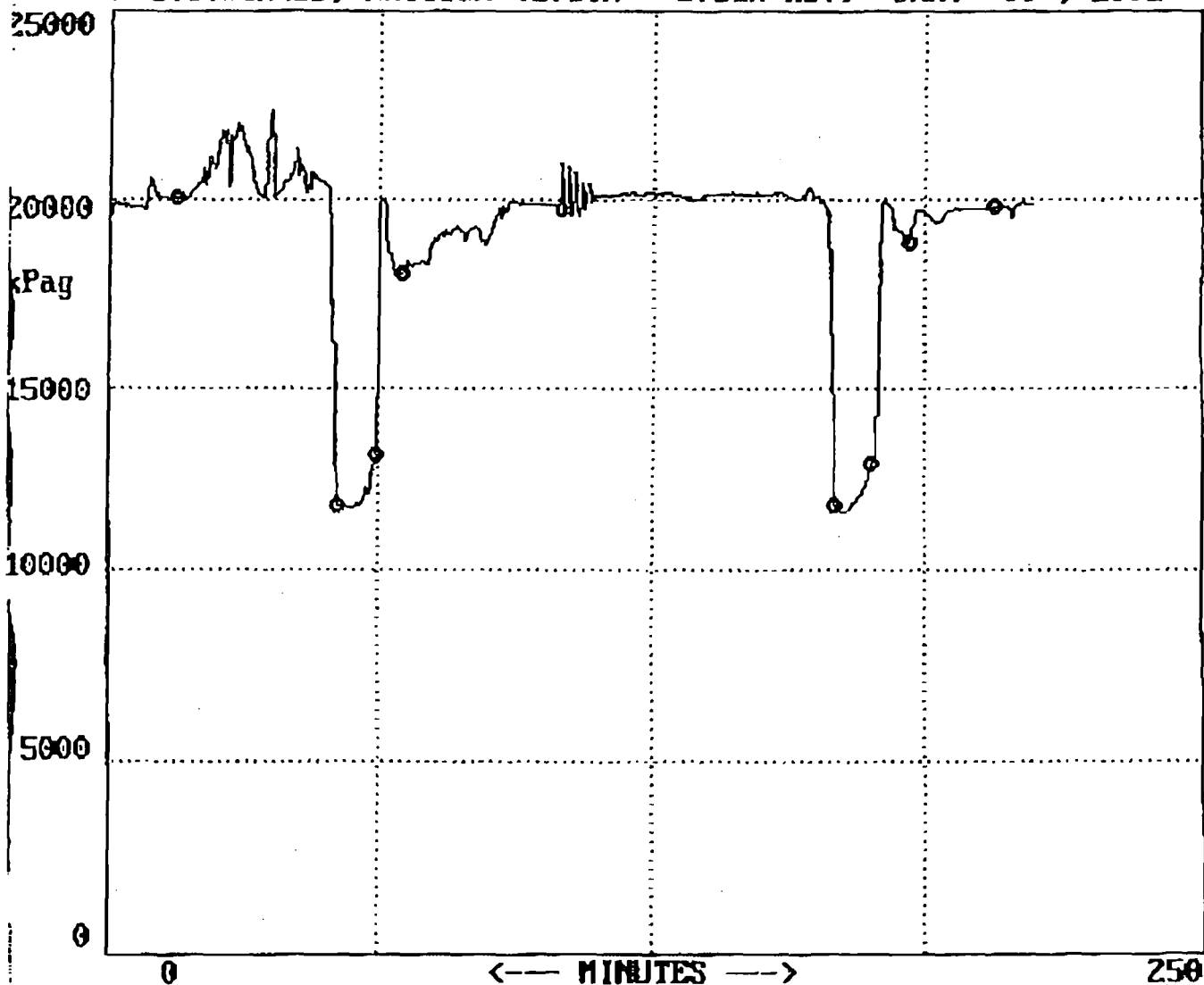
Packers were deflated and moved down 1 metre 1731-1752metres reset packers open tool and with the same results as first time.

MAXIMUM GAS FLOWRATE WAS 457,679m³/day 5000kPa through a 22.23mm surface choke pressure was still building and there was mud slugging to surface.

Recovery Description:

TOTAL ESTIMATED FLUID RECOVERY OF 100 METRES

WELL NAME: PARA ET AL FT.LIARD N-01 LSD. N-01-60-10-123-15
D.S.T.#THREE, MATISON (1730m - 1751m KB.) JAN. 09, 2001



IHP = 20055.6

SF1 = 11807.8

EF1 = 13216.3

ES1 = 18070.7

SF2 = 11827.2

EF2 = 12974.7

ES2 = 18849.4

FHP = 19799.2

Real Time Testing Report

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5160
Test Date: 01/09/2001

2000hrs

DST#: 4

ALPINE

Contact: WILBERT CALLIHOO

Well Name: PARA ET AL FORT LIARD

Location: N-01-60-10-123-15

General Information:

Test Type: INFLATE RESET
 Interval: 1717m -1738m
 Formation: MATTSON
 KB Elevation: 492.10m
 Ground Elevation: 487.00m
 Total Depth: 1940.00m
 Test Mode: Gas

Tester: BILL HOLLINGSHEAD
 Truck No.: UNIT #114
 Contractor: PRECISION
 Rig No.: 379
 Hole Diameter: 222mm
 Hole Condition: GOOD
 Bottom Hole Temperature: 55.00 C

Telemetry Recorder Information:

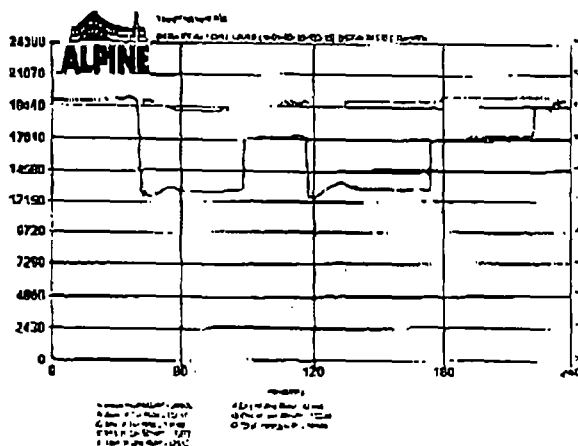
INSIDE

Recorder #: 834 Depth: 1705.00 m

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	20005.4
B Start of 1st Flow	0.00	12737.0
C End of 1st Flow	45.36	13148.6
D End of 1st ShutIn	27.18	17278.0
E Start of 2nd Flow	0.00	12512.3
F End of 2nd Flow	55.44	13153.9
G End of 2nd ShutIn	47.40	17230.3
Q Final Hydrostatic	0.00	19848.5

Test Run Information:

Start Time: 2000hrs
 Reached Test Depth: 2140hrs
 Pull Out Time: 40hrs
 Tool Out Of Hole:
 Water Loss: 6.20cm³
 Mud Drop: NO
 VIS: 76.00S/L
 Filter Cake: 0.00mm
 Pump Time: 30min
 Reversed Out: NO
 Mud Type: GEL CHEMICAL
 Mud Weight: 1160.00kg/m³
 Amount of fill: 0.00m
 Amount of cushion: 0.00
 Type of cushion: N/A



General Remarks:

WELL LIC. # 1902
 TEST TIMES 45 - 25 - 60 - 50
 TOOL OPEN FOR PREFLOW AT 21:40 JAN. 09, 2001

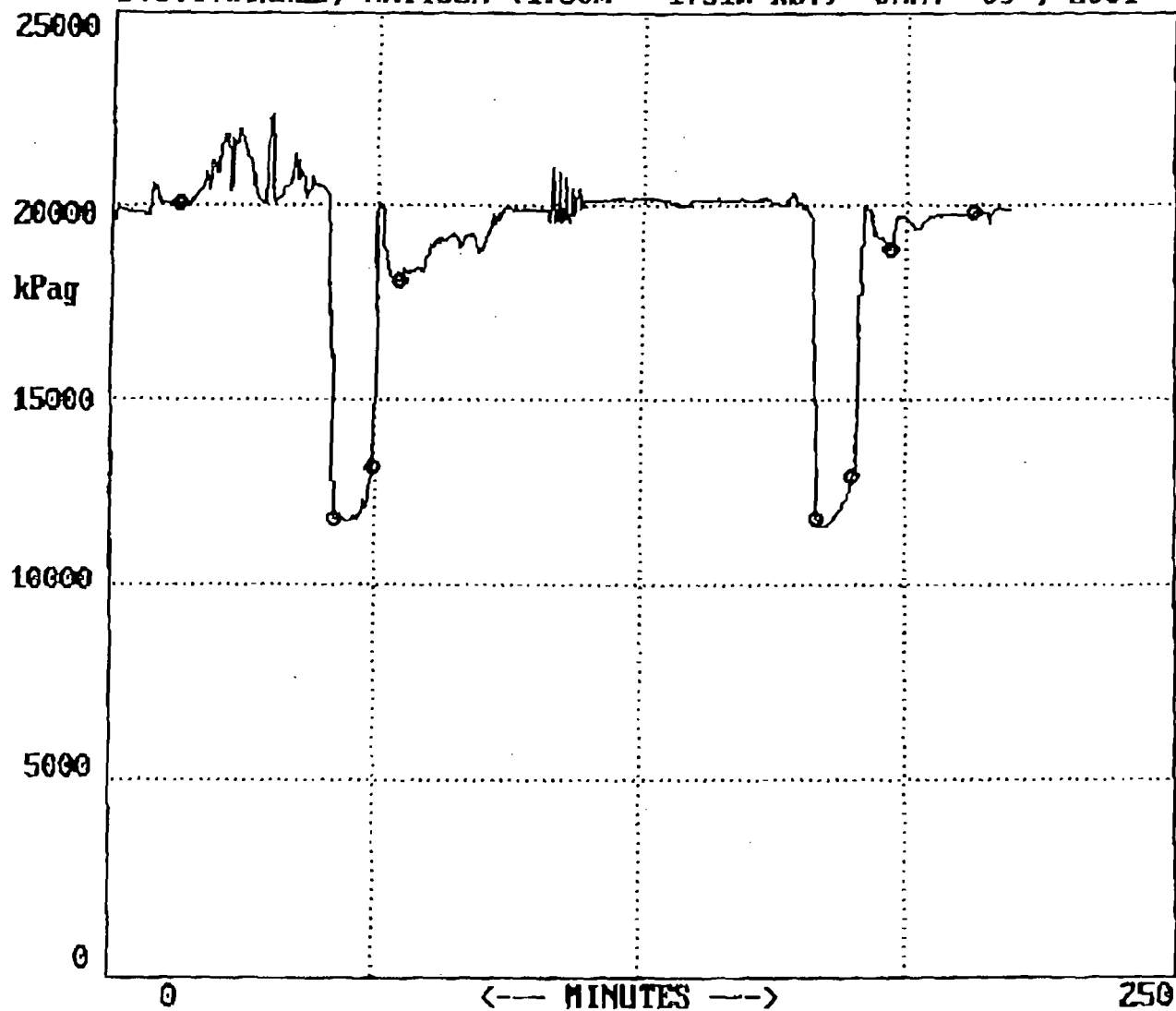
PREFLOW: Strong gas blow immediately and steady throughout. See gas recovery page of this report for gas flowrates.

FINAL FLOW: Strong gas blow immediately and throughout drilling mud mlst to surface throughout. See gas recovery page of this report for gas flowrates.

Recovery Description:

TOTAL ESTIMATED FLUID RECOVERY OF 30 METRES

WELL NAME: PARA ET AL FT.LIARD N-01 LSD. N-01-60-10-123-15
D.S.T.#THREE, MATTSON (1730m - 1751m KB.) JAN. 09 , 2001



IHP = 20055.6

SF1 = 11807.8

EF1 = 13216.3

ES1 = 18070.7

SF2 = 11827.2

EF2 = 12974.7

ES2 = 18849.4

FHP = 19799.2

**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5160

DST#: 4

Test Date: 01/09/2001 2000hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Gas Measurements for Flow # 1

Gas Recovery Measured With:

Willis Choke

Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
20	22.23	4700	431260.00
25	22.23	4800	439926.00
35	22.23	4800	439926.00
40	22.23	4900	449212.00
45	22.23	4900	449212.00

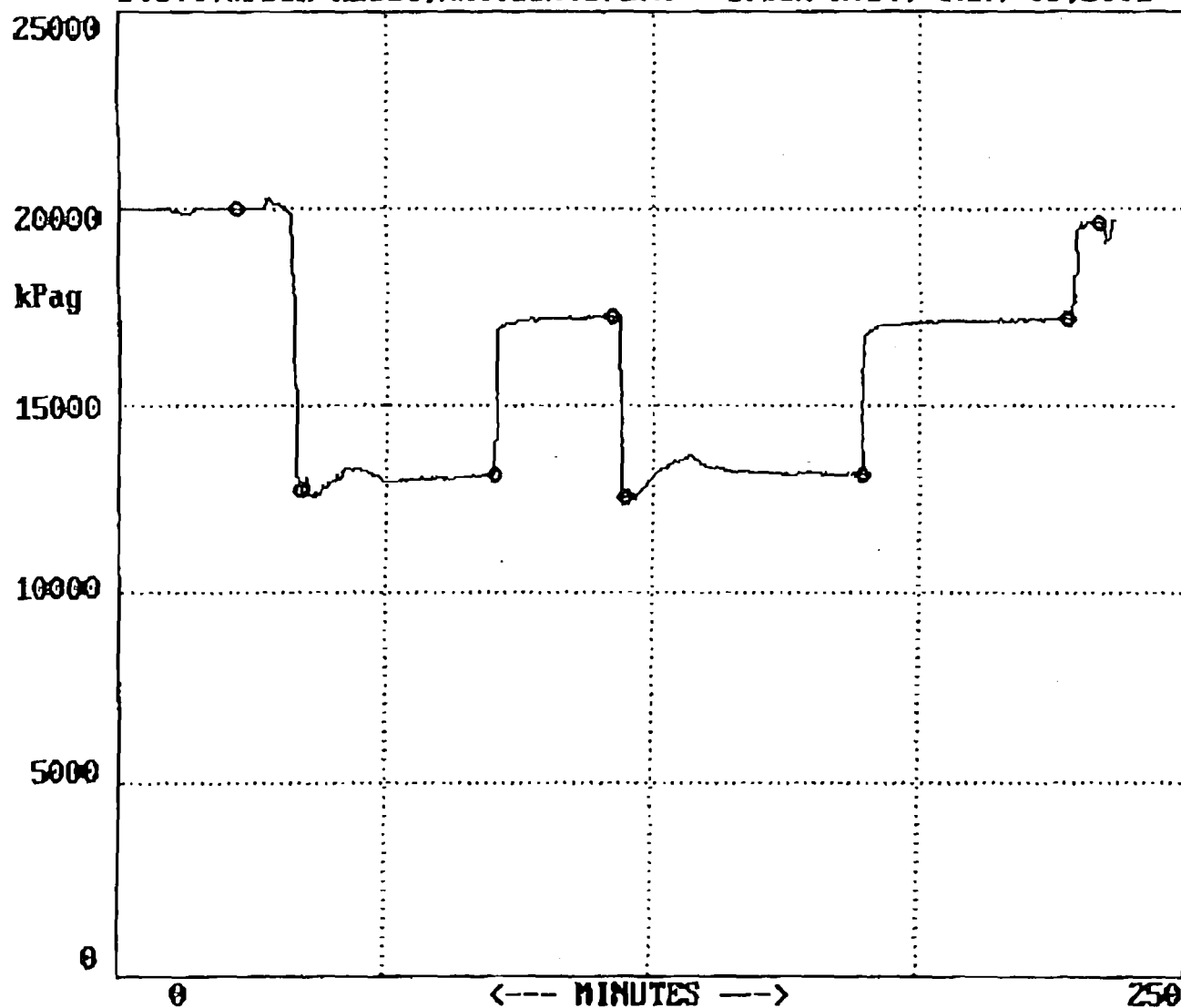
Gas Measurements for Flow # 2

Gas Recovery Measured With:

Willis Choke

Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	22.23	4800	439926.00
20	22.23	4800	439926.00
30	22.23	4900	449212.00
40	22.23	4900	449212.00
50	22.23	5000	457679.00
60	22.23	5000	457679.00

WELL NAME: PARA ET AL FT. LIARD N-01 LSD. N-01-60-10-123-15
D.S.T.#FOUR-RESET, MATTSO (1717m - 1738m K.B.) JAN. 09, 2001



IHP = 20005.3

SF1 = 12737.0

EF1 = 13148.5

ES1 = 17278.0

SF2 = 12512.3

EF2 = 13153.9

ES2 = 17230.3

FHP = 19648.5

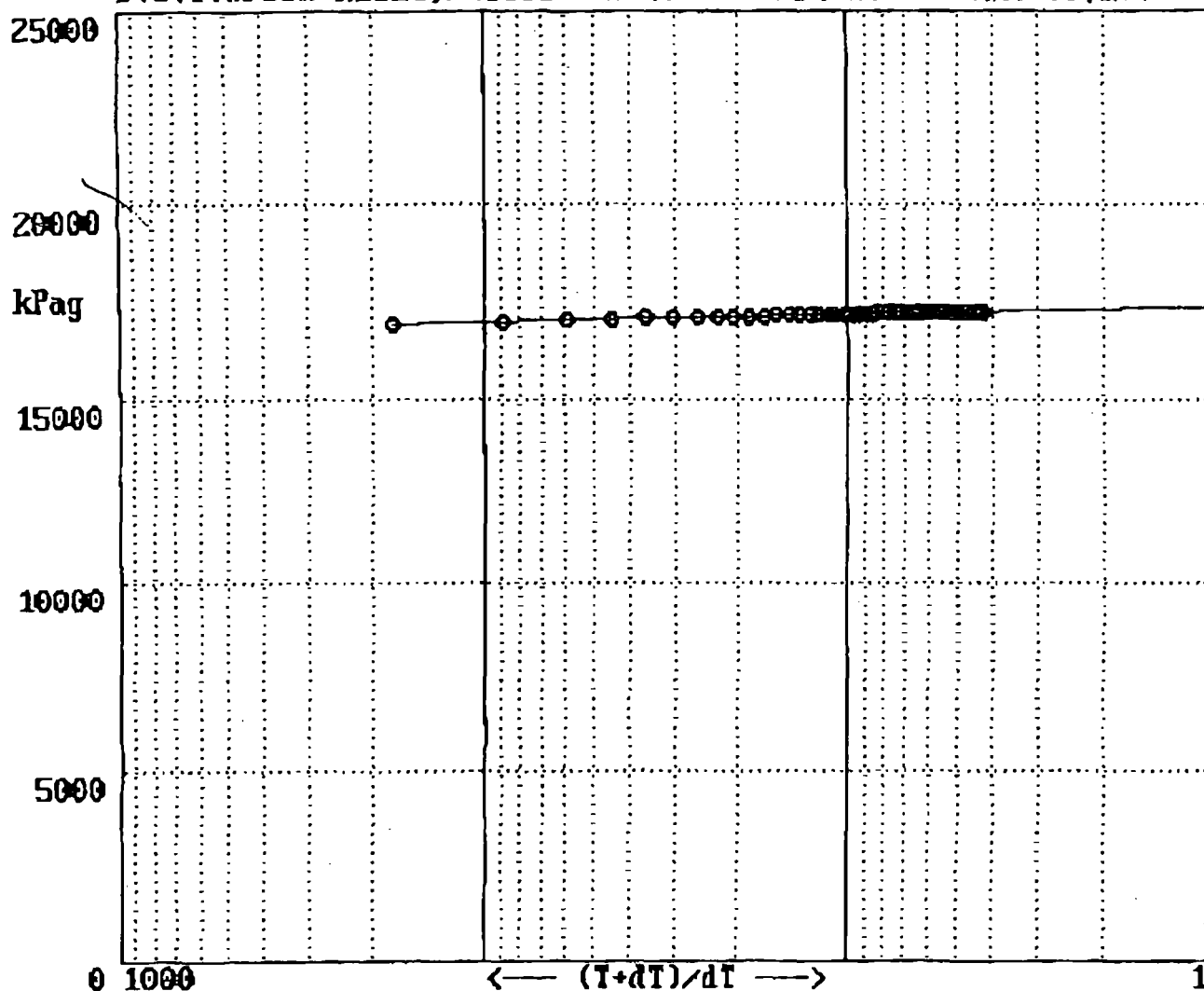
011/024
P. 66

PARAMOUNT RES. FLR 39

01/10/01 09:13 FAX 403 266 6032

JHNN-110-01 07:44 PM

WELL NAME: PARA ET AL FT. LIARD N-01 LSD. N-01-60-10-123-15
D.S.T.#FOUR-RESET, MATTSON (1717m - 1738m K.B.) JAN. 09, 2001



HORNER PLOT
SHUT-IN # 1

SLOPE =
156.5
kPa/cycle

Extrapolated
Pressure =
17370.3
kPag

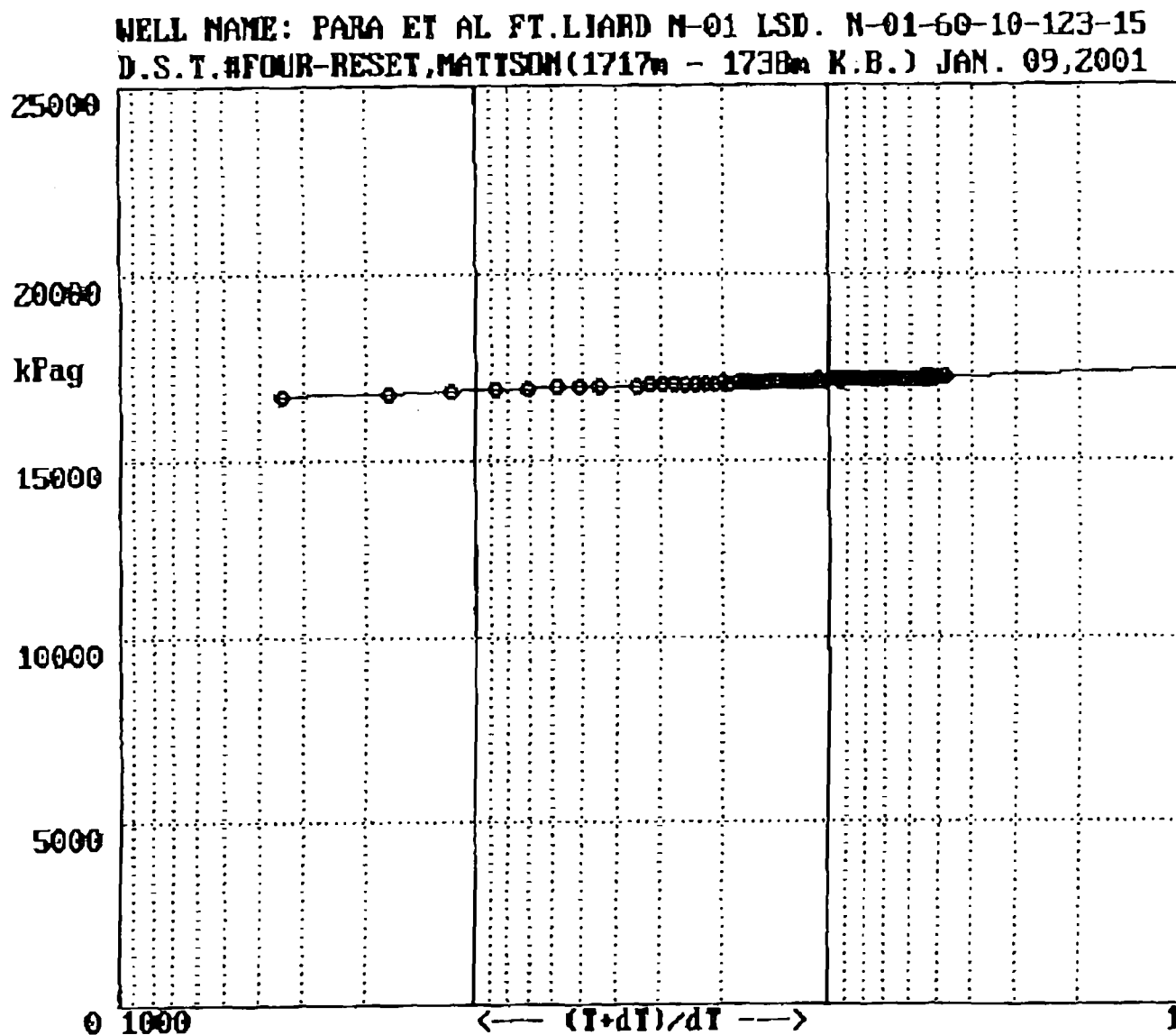
01/10/01 09:13 FAX 403 266 6032

PARAMOUNT RES. FLR 39

012/024
P. 61

JUN-10-04 07:23 AM

*p275X



HORNER PLOT
SHUT-IN # 2

SLOPE =
302.6
kPa/cycle

Extrapolated
Pressure =
17438.3
kPag

JAN-10-01 04:14 AM

P.01



Real Time Test Report

Prepared for: **PARAMOUNT RESOURCES**

Well Name: **PARA ET AL FORT LIARD**

Location: **N-01-60-10-123-15**

Test Date: **01/09/2001**

Job Ticket #: **T4-5160** DST#: **4**

JAN-10-01 04:15 AM

P.02



Real Time Testing Report

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5160

DST#: 4

Test Date: 01/09/2001 2000hrs

Well Name: PARA ET AL FORT LIARD

Location: N-01-60-10-123-15

Contact: WILBERT CALLIHOO

General Information:

Test Type: INFLATE RESET
 Interval: 1717m -1738m
 Formation: MATTSON
 KB Elevation: 492.10m
 Ground Elevation: 487.00m
 Total Depth: 1940.00m
 Test Mode: Gas

Tester: BILL HOLLINGSHEAD
 Truck No.: UNIT #114
 Contractor: PRECISION
 Rig No.: 379
 Hole Diameter: 222mm
 Hole Condition: GOOD
 Bottom Hole Temperature: 55.00 C

Telemetry Recorder Information:

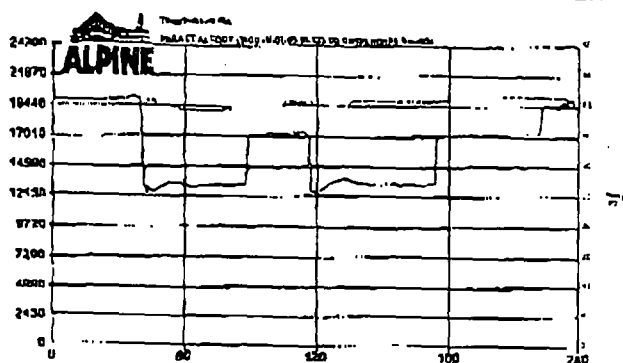
INSIDE

Recorder #: 934 Depth: 1705.00 m

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	20006.4
B Start of 1st Flow	0.00	12737.0
C End of 1st Flow	45.36	13148.5
D End of 1st Shutin	27.18	17278.0
E Start of 2nd Flow	0.00	12512.3
F End of 2nd Flow	55.44	13153.9
G End of 2nd Shutin	47.40	17230.3
H Final Hydrostatic	0.00	19848.5

Test Run Information:

Start Time: 2000hrs
 Reached Test Depth: 2140hrs
 Pull Out Time: 40hrs
 Tool Out Of Hole:
 Water Loss: 6.20cm³
 Mud Drop: NO
 VIS: 78.00S/L
 Filter Cake: 0.00mm
 Pump Time: 30min
 Reversed Out: NO
 Mud Type: GEL CHEMICAL
 Mud Weight: 1160.00kg/m³
 Amount of fill: 0.00m
 Amount of cushion: 0.00
 Type of cushion: N/A



General Remarks:

WELL LIC. # 1902
 TEST TIMES 45 - 25 - 60 - 50
 TOOL OPEN FOR PREFLOW AT 21:40 JAN. 09, 2001

PREFLOW: Strong gas blow immediately and steady throughout. See gas recovery page of this report for gas flowrates.

FINAL FLOW: Strong gas blow immediately and throughout drilling mud mist to surface throughout. See gas recovery page of this report for gas flowrates.

Recovery Description:

TOTAL ESTIMATED FLUID RECOVERY OF 30 METRES

JAN-10-01 04:15 AM

P. 03

**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5160

DST#: 4

Test Date: 01/09/2001 2000hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

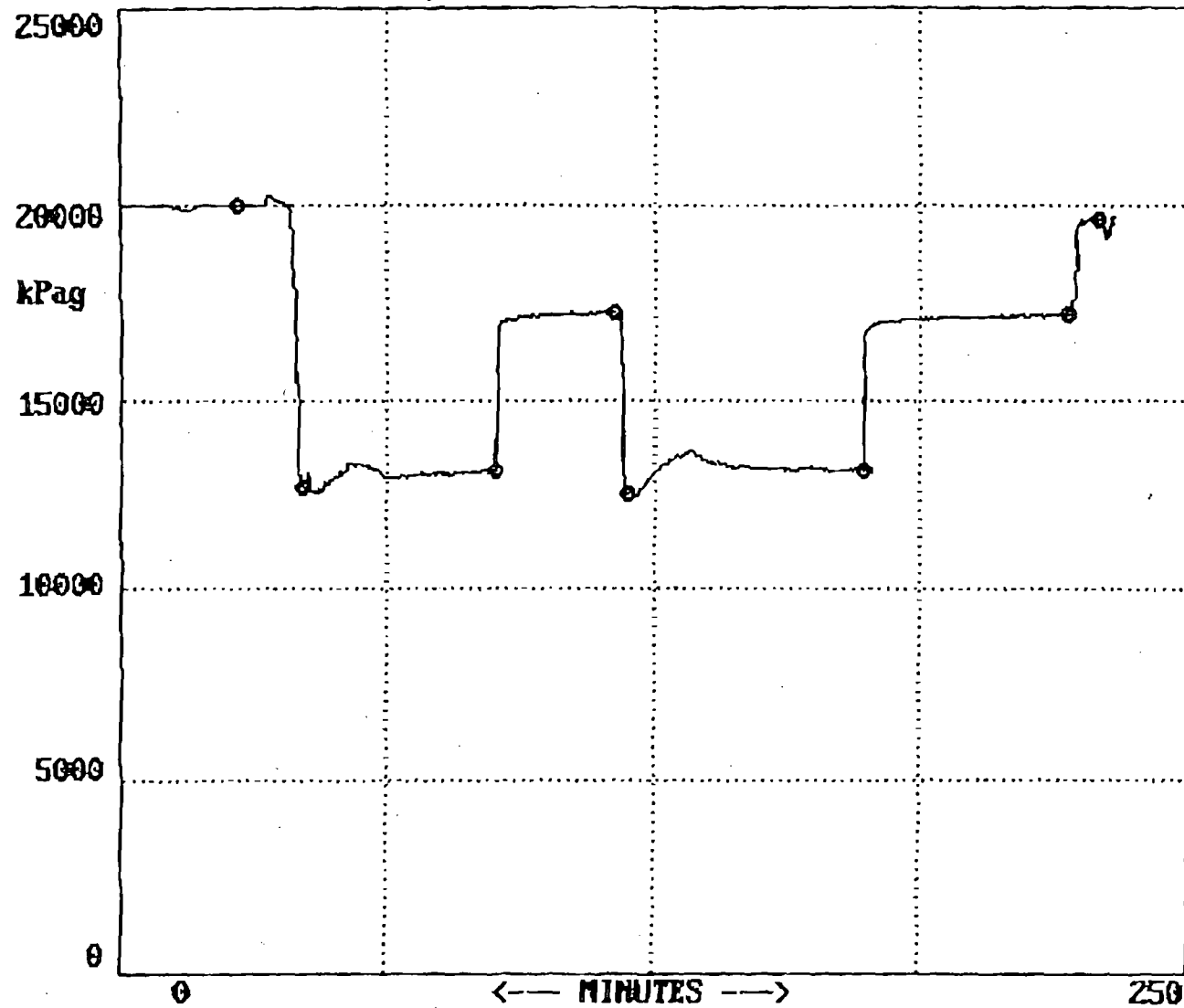
Gas Measurements for Flow # 1

Gas Recovery Measured With:			Willis Choke
Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
20	22.23	4700	431260.00
25	22.23	4800	439926.00
35	22.23	4800	439926.00
40	22.23	4900	449212.00
45	22.23	4900	449212.00

Gas Measurements for Flow # 2

Gas Recovery Measured With:			Willis Choke
Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	22.23	4800	439926.00
20	22.23	4800	439926.00
30	22.23	4900	449212.00
40	22.23	4900	449212.00
50	22.23	5000	457679.00
60	22.23	5000	457679.00

WELL NAME: PARA ET AL FT.LIARD N-01 LSD. N-01-60-10-123-15
D.S.T. #FOUR-RESET, MATTSON (1717m - 1738m K.B.) JAN. 09, 2001



IHP = 20005.3

SF1 = 12737.0

EF1 = 13148.5

ES1 = 17278.0

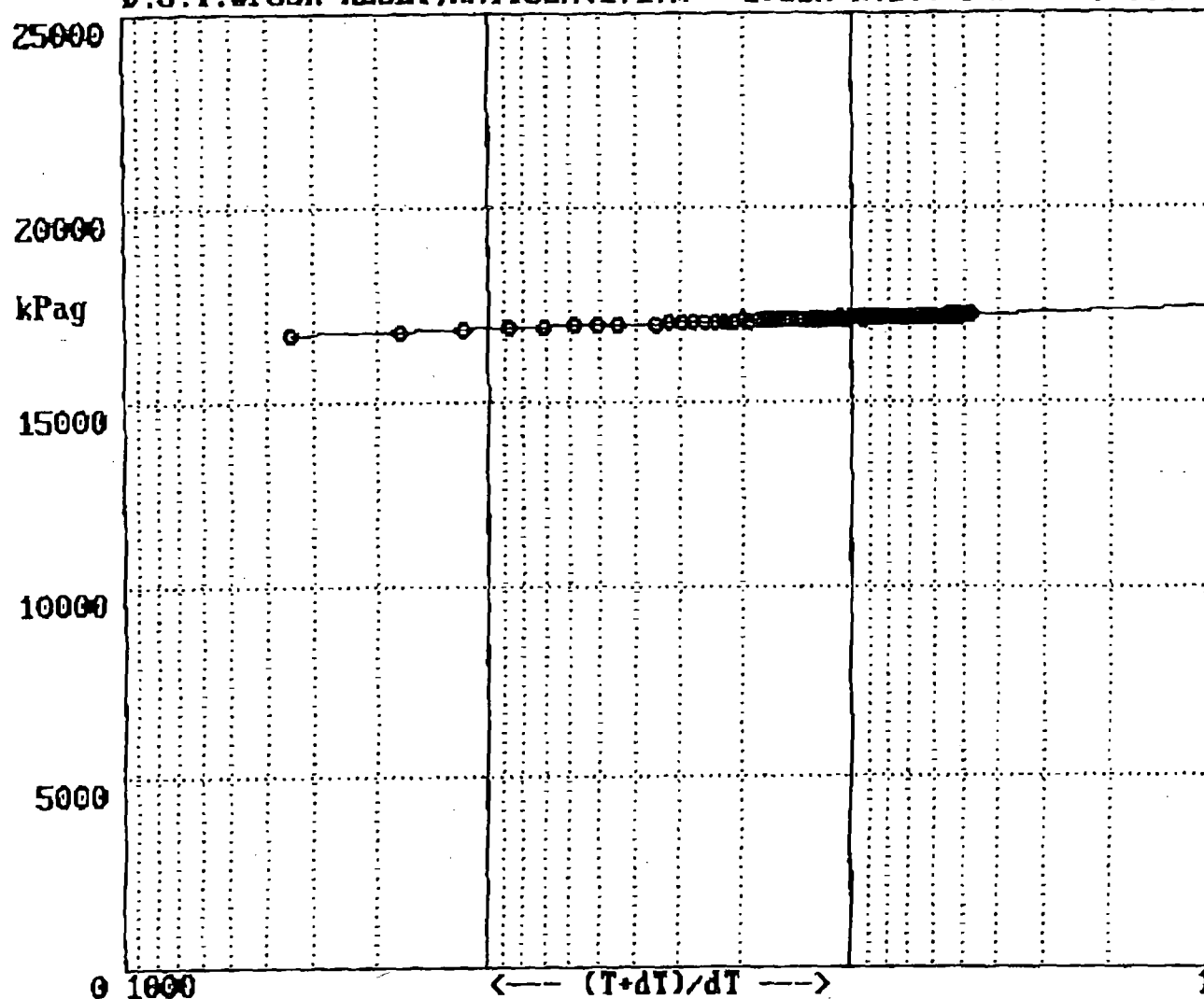
SF2 = 12512.3

EF2 = 13153.9

ES2 = 17230.3

FHP = 19648.5

WELL NAME: PARA ET AL FT. LIARD N-01 LSD. N-01-60-10-123-15
D.S.T. #FOUR-RESET, MATISON (1717m - 1738m K.B.) JAN. 09, 2001

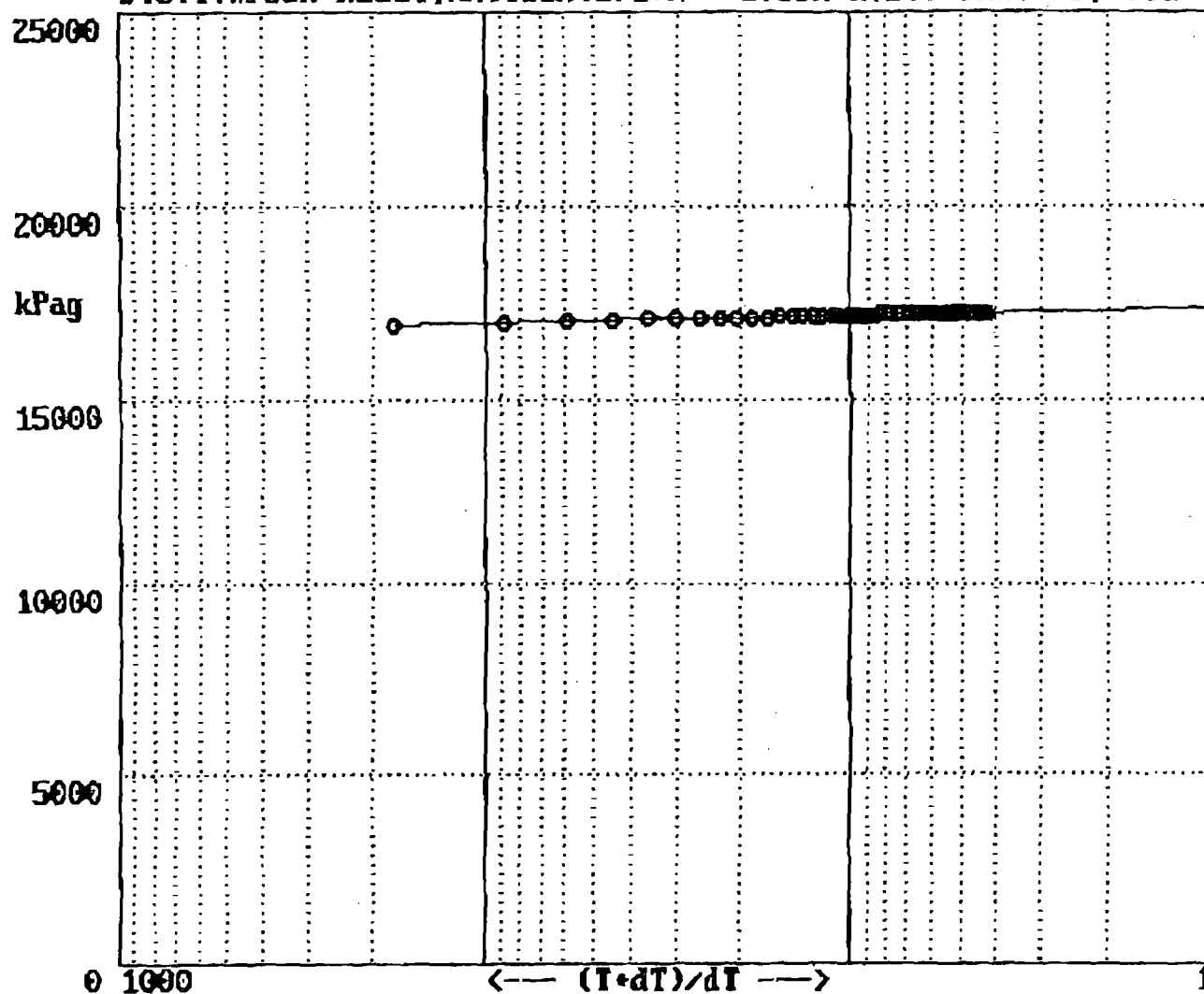


HORNER PLOT
SHUT-IN # 2

SLOPE =
302.6
kPa/cycle

Extrapolated
Pressure =
17438.3
kPag

WELL NAME: PARA ET AL FT.LIARD N-01 LSD. N-01-60-10-123-15
D.S.T.#FOUR-RESET,MATTISON(1717m - 1738m K.B.) JAN. 09,2001



HORNER PLOT
SHUT-IN # 1

SLOPE =
156.5
kPa/cycle

Extrapolated
Pressure =
17370.3
kPag

JAN-10-01 08:44 AM



Real Time Test Report

Prepared for: **PARAMOUNT RESOURCES**

Well Name: PARA ET AL FORT LIARD

Location: N-01-60-10-123-15

Test Date: 01/10/2001

Job Ticket #: T4-5161 DST#: 5

JAN-18-01 08:45 AM



Real Time Testing Report

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5161

DST#: 5

Test Date: 01/10/2001 100hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-80-10-123-15

General Information:

Test Type: INFLATE RESET
 Interval: 1738m -1759m
 Formation: MATTSON
 KB Elevation: 492.10m
 Ground Elevation: 487.00m
 Total Depth: 1940.00m
 Test Mode: Gas

Tester: BILL HOLLINGSHEAD
 Truck No.: UNIT #114
 Contractor: PRECISION
 Rig No.: 379
 Hole Diameter: 222mm
 Hole Condition: GOOD
 Bottom Hole Temperature: 56.00 C

Telemetry Recorder Information:

INSIDE

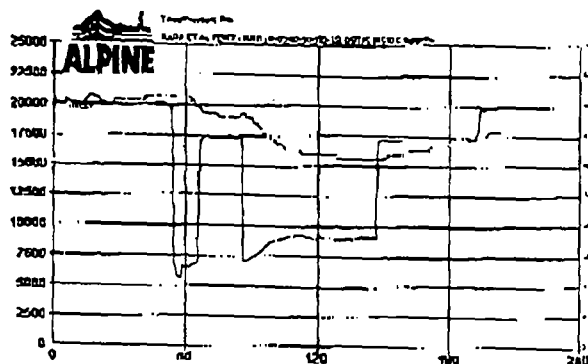
Recorder #: 934 Depth: 1726.00 m

Flag Points:

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	20143.1
B Start of 1st Flow	0.00	6740.3
C End of 1st Flow	10.14	7042.3
D End of 1st Shutin	18.12	17374.3
E Start of 2nd Flow	0.00	7118.9
F End of 2nd Flow	80.06	9050.4
G End of 2nd Shutin	48.42	17308.3
H Final Hydrostatic	0.00	18881.0

Test Run Information:

Start Time: 100hrs
 Reached Test Depth: 205hrs
 Pull Out Time: 420hrs
 Tool Out Of Hole:
 Water Loss: 6.20cm³
 Mud Drop: NO
 VIS: 76.00S/L
 Filter Cake: 0.00mm
 Pump Time: 30min
 Reversed Out: NO
 Mud Type: GEL CHEMICAL
 Mud Weight: 1160.00kg/m³
 Amount of fill: 0.00m
 Amount of cushion: 0.00
 Type of cushion: N/A



General Remarks:

WELL LIC. # 1902

TEST TIMES 10 - 20 - 60 - 45

TOOL OPEN FOR PREFLOW AT 02:05 JAN. 10, 2001

PREFLOW: Strong gas blow immediately and steady throughout.

FINAL FLOW: Strong gas blow immediately and steady throughout. Mist of drilling mud at surface throughout. See gas recovery page of this report for gas flowrates.

Recovery Description:

TOTAL ESTIMATED FLUID RECOVERY OF 55 METRES

JAN-10-01 08:45 AM

**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5181

DST#: 5

Test Date: 01/10/2001 100hrs

Well Name: PARA ET AL FORT LIARD

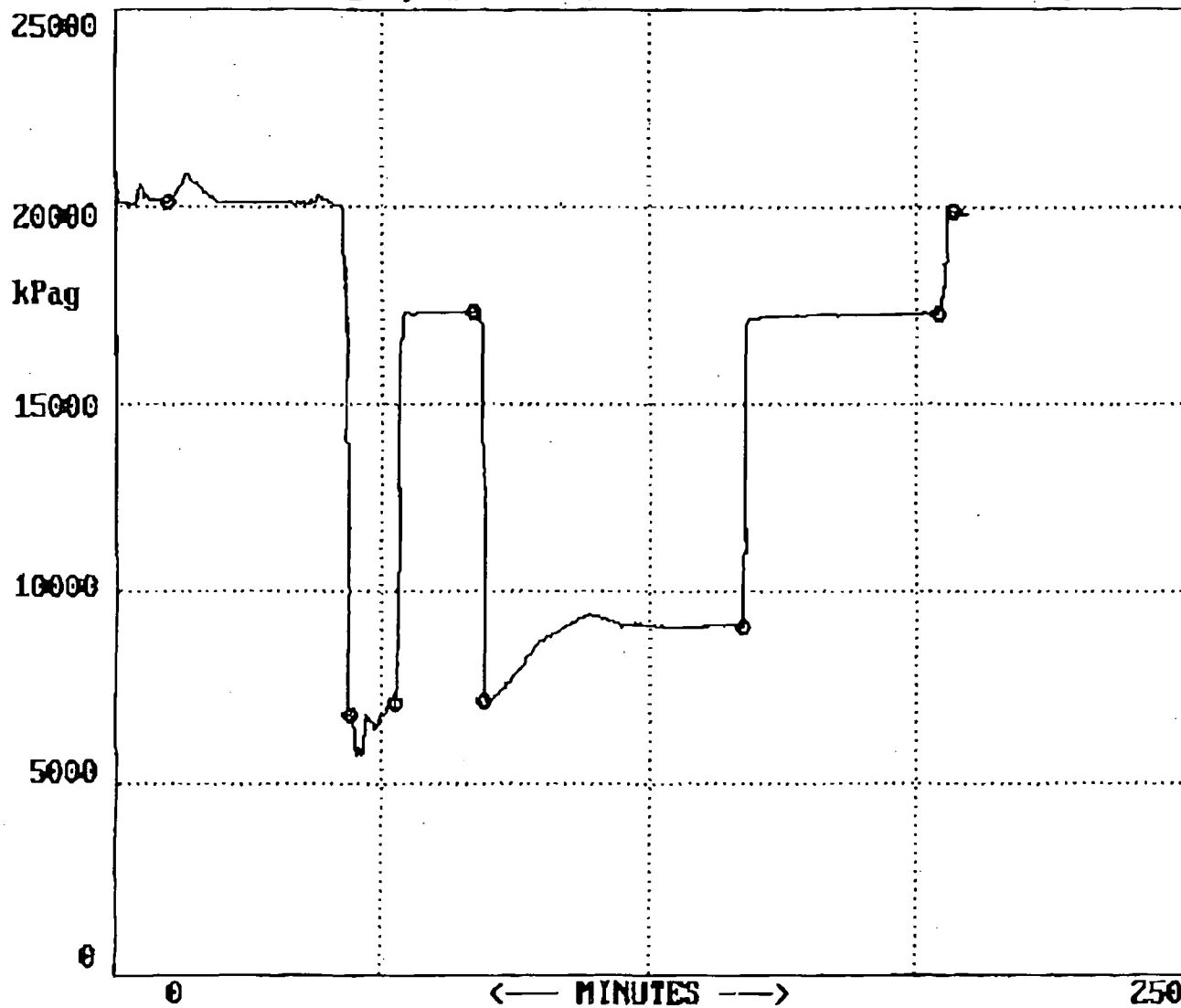
Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Gas Measurements for Flow # 2

Time (min.)	Gas Recovery Measured With:		Willis Choke
	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	19.50	2200	138232.00
20	19.50	3400	210320.00
30	22.23	3500	323545.00
40	22.23	3500	323545.00
50	22.23	3500	323545.00
60	22.23	3500	323545.00

WELL NAME: PARA ET AL FT. LIARD N-01 LSD. N-01-60-10-123-15
DST: FIVE-RESET , MATTSO(1738m - 1759m K.B.) JAN.10 ,2001



IHP = 20143.1

SF1 = 6740.3

EF1 = 7042.3

ES1 = 17374.3

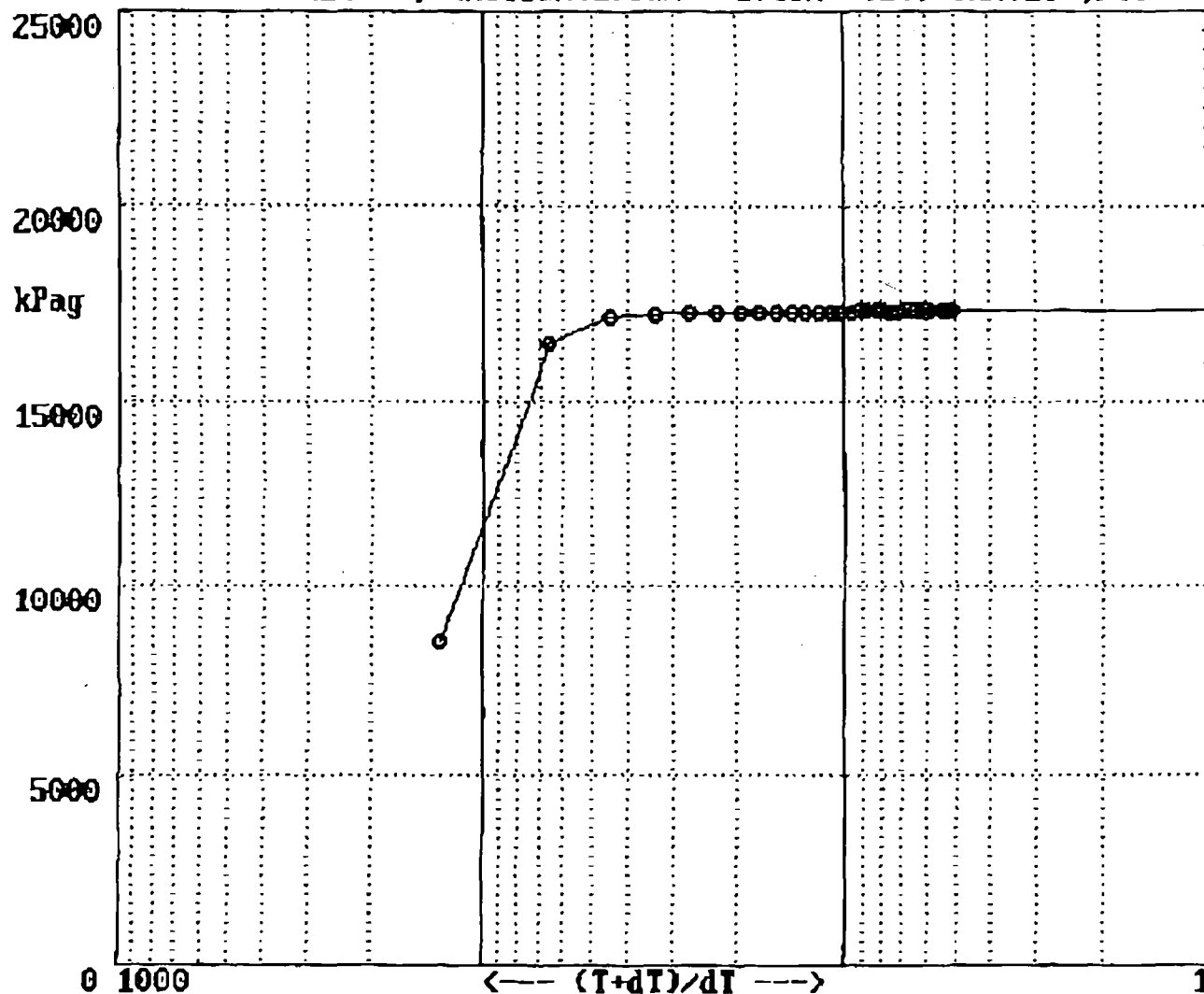
SF2 = 7118.9

EF2 = 9050.4

ES2 = 17306.3

FHP = 19881.3

WELL NAME: PARA ET AL FT. LIARD N-01 LSD. N-01-60-10-123-15
DST# FIVE-RESET , HATTSON(1738m - 1759m K.B.) JAN.10 ,2001

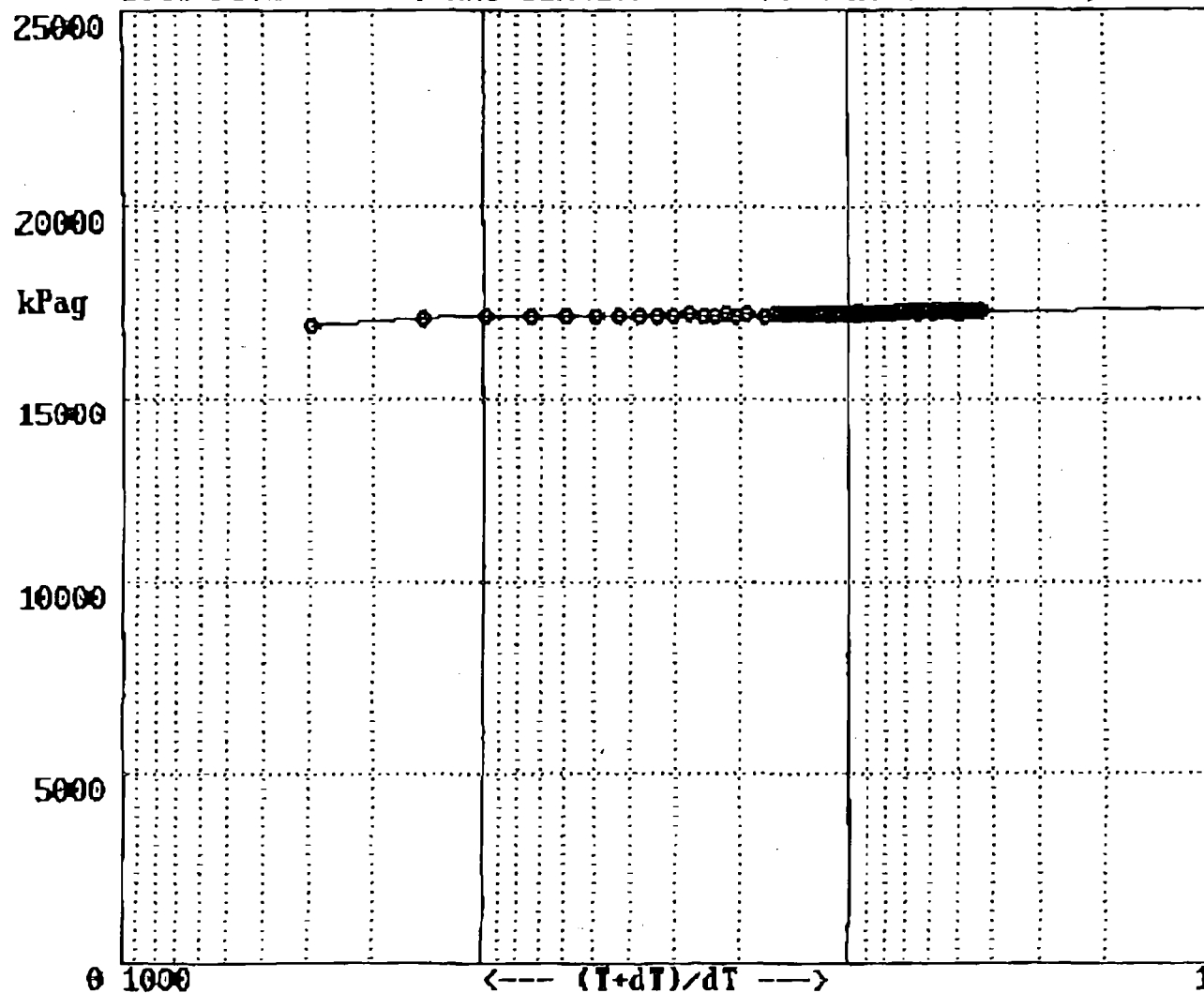


HORNER PLOT
SHUT-IN # 1

SLOPE =
52.3
kPa/cycle

Extrapolated
Pressure =
17403.7
kPag

WELL NAME: PARA ET AL FT. LIARD N-01 LSD. N-01-60-10-123-15
DST# FIVE-RESET , MATTSON(1738m - 1759m K.B.) JAN.10 ,2001



HORNER PLOT
SHUT-IN # 2

SLOPE =
85.9
kPa/cycle

Extrapolated
Pressure =
17355.9
kPag

Daily Geological Report

Paramount Resources Ltd.

Date: 9th January 2001

Country: Canada

Well: Paramount et al Ft. Liard N-01

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

Report No: DGR 17	Rig: Precision Rig #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 27	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: n/a	Hours Drilling: 0
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1150	Average ROP: n/a
Vis: 58	pH: 9.0	F.L.: 6.0	Cl: —

24 Hour Operations Summary (00.00-24.00 hours)

RIH with DST #2, head up tool & run DST #2, POOH, recover recorders, lay down test tool, make up bit, RIH for clean-out trip, break circulation, shut in well & circulate out gas through choke, condition mud.

Midnight Depth: 08-01-01 1940m MD; -1448.8m TVDSS Progress: 0m

Status at 0600 hours (9th Jan.)

Depth m MD KB	(TVD SS)	Formation
1940m	-1448.8m	Mattson

Present Operation: POOH.

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		HI/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Mattson	1511	-1019.8	1517.2	-1026.0			6.2
M1 Zone	1625	-1133.8	1626.2	-1135.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1731	-1239.8	1730.2	-1239.0			-0.8
M4 Zone	1755	-1263.8	1754.2	-1263.0			-0.8
M5 Zone	1779	-1287.8	1780.2	-1289.0			1.2
M6 Zone	1861	-1368.8	1840.2	-1349.0			-20.8
M7 Zone	1888.7	-1396.8	1895.2	-1404.0			7.2?
Mattson Fault	1914.57	-1423.3	1980.2	-1489.0			

Next Operation (06:00 hours onwards): POOH, make up DST #3 (1730-1751m), RIH with DST #3, head up tool & run DST #3, POOH & recover recorders.

Remark:

Good morning, Paul. There is not much to report this morning. We are currently coming out of the hole on the wiper trip we began yesterday afternoon. We were gaining some mud volume last night and it was decided to circulate out the gas and build our mud density, which added some hours to the trip. The current mud properties as of 0600hrs are: MW - 1160, Vis - 76, WL - 6.0, pH - 10.0. I estimate that it will be mid afternoon before we are on bottom for DST #3 (1730-1751m).

Regards

G. Johansson Wellsite Geologist

JAN-09-01 12:46 AM

P. 01

PARAMOUNT RESOURCES LTD.**DRILL STEM TEST REPORT**WELL NAME: Para et al Ft. LiardLOCATION: N - 01DATE: Jan - 08 - 2001TEST COMPANY: Alpine TastersTESTER: Danny RossHOLE SIZE: 222mmWELL DEPTH: 1940MDRILL PIPE SIZE: 114mmDST # 2INTERVAL Top: 1643MINTERVAL Base: 1648MZONE: MattsonTYPE # Inflate StraddlePACKER O.D.: 196mmTIMESPRESSURESPRESSURESPF 7 MinsIHP 18682FFP 1140ISI 63 MinsPF 1064FSIP 17136VO 55 MinsISIP 17260FHP 18485FSI 56 MinsIFP 1064FLOW DESCRIPTION

PREFLOW: Strong Air Blow Immediately on Valve Open - Gas to Surface in 4 Mins - Steady 3M Flare During Valve Open

VALVE OPEN: Strong Gas Blow Immediately on Valve Open - Had Constant 3 - 4 M Flare while Valve Open Had Same Results when Valve Open for 3rd Time

GAS FLOW RATES:

TIME	ORIFICE SIZE	BACK PRESSURE	RISER	RATE	NOTES
	(mm)	(kPa)	(mm)	(m3/d)	
10 Min	6.35	650		4572	
20 Min	6.35	1300		8570	
30 Min	6.35	2000		17702	
40 Min	6.35	3700		23215	
50 Min	6.35	5100		31758	
60 Min	6.35	6200		38449	

RECOVERY:

75M Fluid Recovery Consisting of 65M Gassy Drilling Mud and 10M Condensate with Mud.

SAMPLES CAUGHT: YES

SENT TO: AGAT - Edmonton

DST

JAN-09-01 12:46 AM

P. 02



Drill Stem Testing Report

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: D2-9823

DST#: 2

Test Date: 01/07/2001 2130hrs

Well Name: PARAMOUNT ET AL FT. LIARD

Contact: WILBERT CALLHOO

Location: N-01-60-10-123-15

General Information:

Test Type: INFLATE STRADDLE
 Interval: 1643.00m - 1648.00m
 Formation: MATTSON
 KB Elevation: 492.10m
 Ground Elevation: 487.00m
 Total Depth: 1940.00m
 Test Mode: Gas

Tester: DANNY ROSS
 Truck No.: UNIT 677
 Contractor: PRECISION
 Rig No.: 379
 Hole Diameter: 222mm
 Hole Condition: GOOD
 Bottom Hole Temperature: 56.00 C

Electronic Recorder Information:

OUTSIDE Recorder #:	OUTSIDE Recorder #:
128	124
Range: 70000 kPag	Range: 70000 kPag
Depth: 1645.00 m	Depth: 1645.00 m

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	18881.9
B Start of 1st Flow	0.00	849.5
C End of 1st Flow	7.00	1063.7
D End of 1st Shutin	63.00	17250.2
E Start of 2nd Flow	0.00	1141.2
F End of 2nd Flow	55.00	7674.9
G End of 2nd Shutin	58.00	17136.8
H Start of 3rd Flow	0.00	1787.1
I End of 3rd Flow	60.00	2967.8
J End of 3rd Shutin	42.00	17194.8
Q Final Hydrostatic	0.00	18485.2

Test Run Information:

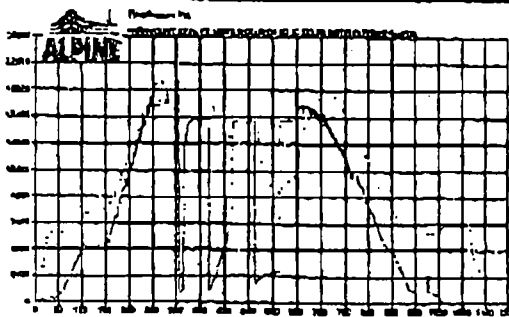
Start Time: 2130hrs
 Reached Test Depth: 200hrs
 Pull Out Time: 800hrs
 Tool Out Of Hole: 1530hrs

Weight set on Packers: 8000.00daN
 Weight to free Packers: 8000.00daN
 Initial String Weight: 40000.00daN
 Unseated String Weight: 42000.00daN

Tool Chased Dist: 9.00m Water Loss: 6.50cm³
 Mud Type: GEL CHEMICAL Mud Drop: NO
 Mud Weight: 1110.00kg/m³ VIS: 74.00cP
 Amount of fill: 0.00m Filter Cake: 1.60mm
 Amt of cushion: 0.00 Pump Time: 25min
 Type of cushion: N/A Reversed Out: NO

General Remarks:

PREFLOW: STRONG AIR BLOW IMMEDIATELY. GAS TO SURFACE IN 4mins. STEADY 3m FLARE.
 FINAL FLOW: STRONG GAS BLOW IMMEDIATELY REFER TO CHARTS FOR PRESSURES.
 THIRD FLOW: STRONG GAS BLOW IMMEDIATELY. REFER TO CHARTS FOR PRESSURES.



Recovery Description:

ONE SAMPLER RUN G.P.=40. TWO GAS BOMBS WERE CAUGHT PF=0002009 & MF=0007001. TOTAL FLUID RECOVERY WAS 75m CONSISTING OF MAINLY DRILLING FLUID WITH APPROX. 5m OF CONDENSATE MIXED MUD.

Gas Bomb: 2 Sampler: 1
 Fluid Sample: 5 Sent to: AGAT LAB

JAN-89-01 12:47 AM

P. 85

**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: D2-9823

DST#: 2

Test Date: 01/07/2001 2130hrs

Well Name: PARAMOUNT ET AL FT. LIARD

Contact: WILBERT CALLHOO

Location: N-01-60-10-123-15

Gas Measurements for Flow # 2

Gas Recovery Measured With:

Willis Choke

Time (min.)	Orifice (mm)	Pressure(kPa)	Rate (m ³ /d)
10	6.35	650	4572.00
20	6.35	1300	8570.00
30	6.35	2800	17702.00
40	6.35	3700	23215.00
50	6.35	5100	31758.00
60	6.35	6200	38449.00

Gas Measurements for Flow # 3

Gas Recovery Measured With:

Willis Choke

Time (min.)	Orifice (mm)	Pressure(kPa)	Rate (m ³ /d)
10	12.70	1000	28567.00
20	12.70	1100	31072.00
30	12.70	1200	33756.00
40	12.70	1200	33756.00
50	12.70	1200	33756.00
60	12.70	1200	33756.00



Real Time Testing Report

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5158

DST#: 2

Test Date: 01/08/2001 2100hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

General Information:

Test Type: INFLATE STRADDLE
Interval: 1643m -1648m
Formation: MATTSON
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Gas

Tester: BILL HOLLINGSHEAD
Truck No.: UNIT #114
Contractor: PRECISION
Rig No.: 379
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 56.00 C

Telemetry Recorder Information:

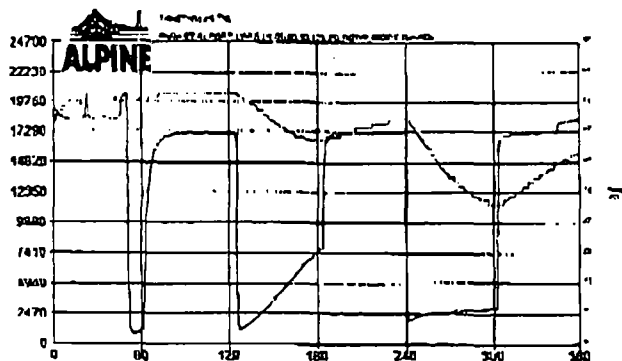
INSIDE

Recorder #: 934 Depth: 1631.00 m

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	18521.2
B Start of 1st Flow	0.00	1110.0
C End of 1st Flow	9.12	1194.8
D End of 1st Shutin	62.04	17251.1
E Start of 2nd Flow	0.00	1251.5
F End of 2nd Flow	57.00	7800.9
G End of 2nd Shutin	51.42	17230.8
H Start of 3rd Flow	0.00	1884.8
I End of 3rd Flow	60.54	2943.9
J End of 3rd Shutin	41.82	17126.4
Q Final Hydrostatic	0.00	18484.3

Test Run Information:

Start Time: 2100hrs
Reached Test Depth: 230hrs
Pull Out Time: 720hrs
Tool Out Of Hole:
Water Loss: 6.50cm³
Mud Drop: NO
VIS: 74.00S/L
Filter Cake: 0.00mm
Pump Time: 30min
Reversed Out: NO
Mud Type: GEL CHEMICAL
Mud Weight: 1140.00kg/m³
Amount of fill: 0.00m
Amount of cushion: 0.00
Type of cushion: N/A



General Remarks:

WELL LIC. # 1902

TEST TIMES 10 - 60 - 60 - 55 - 80 - 42

TOOL OPEN FOR PREFLOW AT 02:30 JAN. 08, 2001

PREFLOW: Strong air blow immediately gas to surface in 4 minutes lazy 3 metre flare.

SECOND FLOW: Gas to surface immediately lazy 3 metre flare steady throughout. See gas recovery page of this report for gas flow rates.

FINAL FLOW: Gas to surface immediately 4metre flare throughout. See gas recovery page of this report for gas flow rates.

Recovery Description:

TOTAL ESTIMATED FLUID RECOVERY OF 120 METRES

JAN-09-01 12:48 AM

P. 03

**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5168

DST#: 2

Test Date: 01/08/2001 2100hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Gas Measurements for Flow # 2

Gas Recovery Measured With:

0

Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	6.35	650	4572.00
20	6.35	1300	8570.00
30	6.35	2800	17702.00
40	6.35	3700	23215.00
50	6.35	5100	31758.00
60	6.35	6200	38449.00

Gas Measurements for Flow # 3

Gas Recovery Measured With:

Willis Choke

Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	12.70	1000	28567.00
20	12.70	1100	31072.00
30	12.70	1200	33756.00
40	12.70	1200	33756.00
50	12.70	1200	33756.00
60	12.70	1200	33756.00

- JAN-09-01 09:24 AM

P. 01

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WD 1902

SUPERVISOR:

Wilbert Callihoo

CELLULAR #:

780-940-8655

SPUD DATE:

12/12/00

R.R. DATE:

CONTRACTOR:

PRECISION #379

A.F.E. #:

00N010054

EST. T.D

2100

DAILY COST:

\$41,000

CUM. COST:

\$1,583,000

DAILY MUD:

\$1,800

CUM MUD:

\$29,400

DAY: 28

REP DATE: 9/1/01

STATUS 08:00 Pull out of Hole for DST # 3

DEPTH:

1940

PROG.

KB: 492.10

GL: 487.00

MACP: 3398

SURVEYS:

MUD TYPE:

GEL CHEM

WT: 1160

VISC: 76

WL: 6

FC 1

PH:

10

ADDITIVES:

1 Sack Caustic - 66 Sax Barite

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
RR9	MG 1754	222mm	SMITH	F80D-PS	3X18.1		Clean	out	end	Circ	

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	95	1.240	6800	76	42	48
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
Bit	222mm		0.24
Bit Sub	172	72	1.04
8-Drill Collars	172	73	54.40
1-Drig JARS	172	73	4.78
1-XO SUB	172	58	0.46
40-HEVI-WATE PIPE	114	82	371.68
158-DRILL PIPE	114	101	1503.70
KELLY			3.70
TOTAL			1940.00

TIME DISTRIBUTION

MOVE/RIG-UP

RIG REP:

DRILL MH & RH:

LOGGING:

RIG SERVICE:

0.25

CEMENT:

SURVEY:

WOC:

PRESSURE TEST:

RUN C8G:

DRILL:

DST:

9.50

DRILL OUT:

TRIP:

10.75

CIRCULATE:

3.50

L.D.D.S.:

NIPPLE UP BOP:

REAM:

HANDLE TOOLS

FLOW CHECK

BOP DRILL

DRILLLINE

TOTAL HOURS:

24.00

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.

LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.

CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCl2

PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

Run In with Tools for DST #2 - Held Safety Meeting with Tester and Crew - Head up Tools for DST #2 - Pump up and Set Packers - Open Tool and Conduct DST #2 - Had Successful Test - Had 2nd Valve Open on Flow - Pull out with DST Tools - Recover and Read Recorders - Lay Down Test Tools - Pick up and Make up Bit & Run In Hole - Break Circ on Bottom - Circ for 40 Mins and Started to get Gas Breaking out of Mud and Blowing Mud up Thru Table Bushings - Shut in Well and Had Shut In Casing Pressure @ 300 Kpa - Circ Thru Choke - Holding Back Pressure with 500 Kpa Overkill - Mix Barite at 2 Mins Sack - Circ and Mixing Barite at Midnite - Since Midnite have Circ till 04:30 Hrs. and Have Mud Properties at Viscosity 76 - Mud Density 1160 Kg/m3 - Water Loss 6.0 and PH at 10.0 - Mud and Hole Both Stable - Pulling out to Pick up Tools for DST #3 Hole and Mud Both seem to be in Good Shape - No Drag or Tight Spots in Hole.

Weather - Clear - South West Wind @ 15 Km/h - Cool - Temp at -9.0oC.

DRILLING REPORT DAY 28

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD
UNIQUE I.D. EL 381
LOCATION:
WELL LICENCE
N-01
WID 1902
SUPERVISOR: Wilbert Callhoo

CELLULAR #: 780-940-8655

SPUD DATE: 12/12/00

R.R. DATE:
CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 **EST. T.D** 2100

DAILY COST: \$45,000

CUM. COST: \$1,542,000

DAILY MUD: \$200

CUM MUD: \$27,600

DAY: 27 **REP DATE:** 8/1/01 **STATUS 08:00 Pull DST # 2**
DEPTH: 1940 **PROG.** **KB:** 492.10 **GL:** 487.00 **MACP:** 3398
SURVEYS:
MUD TYPE: GEL CHEM **WT:** **VISC:** **WL:** **PH:**
ADDITIVES: 10 Sax Sawdust

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-Z8	165	203						
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT & DOG SUB			
KELLY			
TOTAL			

TIME DISTRIBUTION

MOVE/RIG-UP	RIG REP:
DRILL MH & RH:	LOGGING:
RIG SERVICE:	0.75 CEMENT:
SURVEY:	WOC:
PRESSURE TEST:	RUN CSG:
DRILL:	DST: 9.75
DRILL OUT:	TRIP: 12.75
CIRCULATE:	L.D.D.S.:
NIPPLE UP BOP:	REAM:
HANDLE TOOLS	FLOW CHECK
BOP DRILL	DRILLLINE 0.75

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 **SURFACE CASING.**
LANDED AT 500.75 MKB. **TOTAL LENGTH** 501.24 METERS.
CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCL2
PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

Finish Laying Down Drill Collars - Service Rig - Pick up and Make up Alpine Test Tools for DST # 1 - Run in with Test Tools Measuring Drill Collars - Hevi Wate Drill Pipe and Drill Pipe on way in Hole - Held Safety Meeting with Testers and Crew - Pump up and Set Packers - Open Tool - Had Hose to Bottom of Pail as soon as Tool Opened - Open to Flare Pit and had Gas to Surface Immediately - Had Good Gas Blow - Real Time Calculated Flow at 20MM/Day - Was Very Good Gas Blow - Shut in Tool and Allowed Pressure to Stabilize - Deflate Packers and Pull out of Hole - Pull Slow and Chain out of Hole - Recover Recorders - Had 30M Fluid Recovery - Clear Condensate and Small Amount of Muddy Water-Service Test Tools - Inspect Packers and Change Interval - Run in Hole with Test Tools - Stopping to Slip and Cut Drilling Line on way in Hole - Measure on Way in Hole - Running in Hole for DST # 2 at Midnite
 Weather - Clear - Calm - Mild - Temp at - 5oC.

DRILLING REPORT DAY 27

JAN-08-01 06:00 AM

PARAMOUNT RESOURCES LTD.**DRILL STEM TEST REPORT**WELL NAME: Para et al Ft. LiardLOCATION: N - 01DATE: Jan - 07 - 2001TEST COMPANY: Alpine TestersTESTER: Danny RossHOLE SIZE: 222mm WELL DEPTH: 1940 MDRILL PIPE SIZE: 114mmINTERVAL Top: 1682 MDST # 1 INTERVAL Base: 1691 MZONE: MattsonTYPE # Inflate Straddle PACKER O.D.: 196mmTIMESPRESSURESPRESSURESPF 10 MinsIHP 18972 KpaFFP 16184 KpaISI 37 MinsPF 15842 KpaFSIP 17042 KpaVO 60 MinsISIP 17075 KpaFHP 18832 KpaFSI 70 MinsIFP 15990 KpaFLOW DESCRIPTION

PREFLOW: Very Strong Air Blow as soon as Valve Opened - Hose to Bottom of Pail Immediately - Gas to Surface in 1.5 Mins - Had Strong 7M Flare during Valve Open

VALVE OPEN: Gas to Surface Immediately - Very Strong 7 - 8M Flare at Pk During Valve Open

GAS FLOW RATES:

TIME	ORIFICE SIZE	BACK PRESSURE	RISER	RATE	NOTES
	(mm)	(kPa)	(mm)	(m3/d)	
10 Mins	22.23mm	8000		548260	
20 Mins	22.23mm	6500		592831	
30 Mins	22.23mm	6500		592831	
40 Mins	22.23mm	6500		592831	
50 Mins	22.23mm	6500		592831	
60 Mins	22.23mm	6500		592831	

RECOVERY:30M Fluid with 25M Clean and Clear Condensate and
5M Muddy WaterSAMPLES CAUGHT: YES
SENT TO: AGAT

DST

JAN-08-01 06:00 AM

P. 02

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et AI FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: Wilbert Caillhoo

CELLULAR #: 780-940-8655

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D 2100

DAILY COST: \$97,500

CUM. COST: \$1,497,000

DAILY MUD: \$200

CUM MUD: \$27,400

DAY: 28 REP DATE: 7/1/01 STATUS 08:00 Run in with DST #1
 DEPTH: 1940 PROG. 28 KB: 492.10 GL: 487.00 MACP: 3398
 SURVEYS:

MUD TYPE: GEL CHEM WT: 1140 VISC: 76 WL: 6.5 FC 1 PH: 10
 ADDITIVES:

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203						
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT & DOG SUB			
KELLY			
TOTAL			

TIME DISTRIBUTION

MOVE/RIG-UP	RIG REP:
DRILL MH & RH:	LOGGING: 17.00
RIG SERVICE:	CEMENT:
SURVEY:	WOC:
PRESSURE TEST:	RUN C&G:
DRILL:	DST:
DRILL OUT:	TRIP: 5.75
CIRCULATE:	L.D.D.S.:
NIPPLE UP BOP:	REAM:
HANDLE TOOLS 1.25	FLOW CHECK
BOP DRILL	DRILLLINE

TOTAL HOURS: 24.00

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCL2
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

Pull out of Hole to Run Logs - Rig in Baker Atlas and Run Logging Tools in Hole - Tools went in to Bottom with No Problems - Ran Logs in Hole and Tools quit Working just below Surface Casing Shoe on First Run out of Hole - Work on Repairing Tools and were not able to get Tools Working again - Had Problem with Electrical Leak in Line on Truck and were not able to get Power to Head at End of Line on Logging Tools - Released Logging Truck and will Run DSTs with Alpine Testers - Run in and Lay Down 6 Drill Collars.
 Weather - Clear - Calm - Mild - Temp at - 5.4oC.

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR:

Wilbert Callihoo

CELLULAR #:

780-940-8855

SPUD DATE:

12/12/00

R.R. DATE:

CONTRACTOR:

PRECISION #379

A.F.E. #:

00N010054

EST. T.D

2100

DAILY COST:

\$53,000

CUM. COST:

\$1,398,500

DAILY MUD:

\$1,700

CUM MUD:

\$27,200

DAY:

25

REP DATE: 6/1/01

STATUS 08:00 Trip out to Run Logs @ 1940M

DEPTH:

1940

PROG. 28

KB: 492.10

GL: 487.00

MACP: 3398

SURVEYS:

1922 - 2.80 @ 005.00 & 1940 - 2.98 @ 0100

MUD TYPE:

GEL CHEM

WT: 1140

VISC: 76

WL: 6.5

FC 1

PH: 10

ADDITIVES:

25 Sax Gel - 2 Sax Caustic - 1 Sack Desco - 30 Sax Barite

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
9	MG 1754	222mm	SMITH	F80D-PS	3X19.1	1940	28	11	8-4-IN	18-22000	55

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	95	1.240	8000	80	44	28
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT & DOG SUB	222	73	0.44
MUDMTR-RMR-FLTSUE	172	64	10.64
2-MONEL DCS-LDG8UE	172	72	19.62
8-DC&STAB	172	64	56.68
JARS&6-DCs	172	60	59.16
XO-SUB	164	72	0.46
40 HWDP & 1 148 DP	114	70&102	1781.24
KELLY	114	89	11.76
TOTAL			1940.00

CASING SUMMARY

RAN 40 JTS OF 244.5 MM,

53.57 KG/M, J-55

SURFACE CASING.

LANDED AT 500.75 MKB. TOTAL LENGTH

501.24 METERS.

CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCL2

PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TIME DISTRIBUTION

MOVE/RIG-UP

RIG REP:

DRILL MH & RH:

LOGGING:

RIG SERVICE:

0.50

CEMENT:

SURVEY:

WOC:

PRESSURE TEST:

RUN CSG:

DRILL:

11.00

DST:

DRILL OUT:

TRIP:

7.75

CIRCULATE:

4.50

L.D.D.S.:

NIPPLE UP BOP:

REAM:

HANDLE TOOLS

FLOW CHECK

BOP DRILL

0.25

DRILLLINE

TOTAL HOURS:

24.00

Drill Ahead 222mm Hole with Down Hole Mud Motor and Rotary - Slide Drill String to Get Deviation coming back in more toward Vertical - Held BOP Drill with New Crew - Drill to 1940M @ 12:15 Hrs. - Circ to Condition Mud and Hole - Work Pipe while Circulating - Blow and Rack Kelly - Mix and Pump Wt. Material Pill - Pull out of Hole to Hevi Wate Pipe for Wiper Trip - Measure Pipe when Pulling out of Hole - Run Back in Hole to Circ Circ and Work Pipe - Mixed Gel to Raise Viscosity while Circ - Mix and Pump Wt Mat Pill - Pull out to Run Logs Weather this A.M. - Overcast - Calm - Cool - Temp @ -10oC.

Daily Geological Report

Date: 8th January 2001

Country: Canada

Paramount Resources Ltd.

Well: Paramount et al Ft. Liard N-01

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

Report No: DGR 16	Rig: Precision Rig #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 26	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: n/a	Hours Drilling: 0
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1140	Average ROP: n/a
Vis: 74	pH: 9.5	F.L.: 6.5	Cl: -

24 Hour Operations Summary (00.00-24.00 hours)

Lay down 6 D.C.s, make up DST #1 (1682-1691m), RIH with DST #1, head up tool & run DST #1. POOH, recover recorders, make up DST #2 (1643-1648m), RIH to 491m with DST #2, slip & cut, RIH with DST #2.		
Midnight Depth: 07-01-01	1940m MD; -1448.8m TVDSS	Progress: 0m

Status at 0600 hours (8th Jan.)

Depth m MD KB	(TVD SS)	Formation
1940m	-1448.8m	Mattson
Present Operation: Run DST #2 (1643-1648m).		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		HI/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Mattson	1511	-1019.8	1517.2	-1026.0			6.2
M1 Zone	1625	-1133.8	1626.2	-1135.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1731	-1239.8	1730.2	-1239.0			-0.8
M4 Zone	1755	-1263.8	1754.2	-1263.0			-0.8
M5 Zone	1779	-1287.8	1780.2	-1289.0			1.2
M6 Zone	1861	-1369.8	1840.2	-1349.0			-20.8
M7 Zone	1888?	-1396.8	1895.2	-1404.0			7.2?
Mattson Fault	1914.5?	-1423.3	1960.2	-1469.0			-

Next Operation (06:00 hours onwards): Complete DST #2, POOH & recover recorders, wiper trip.

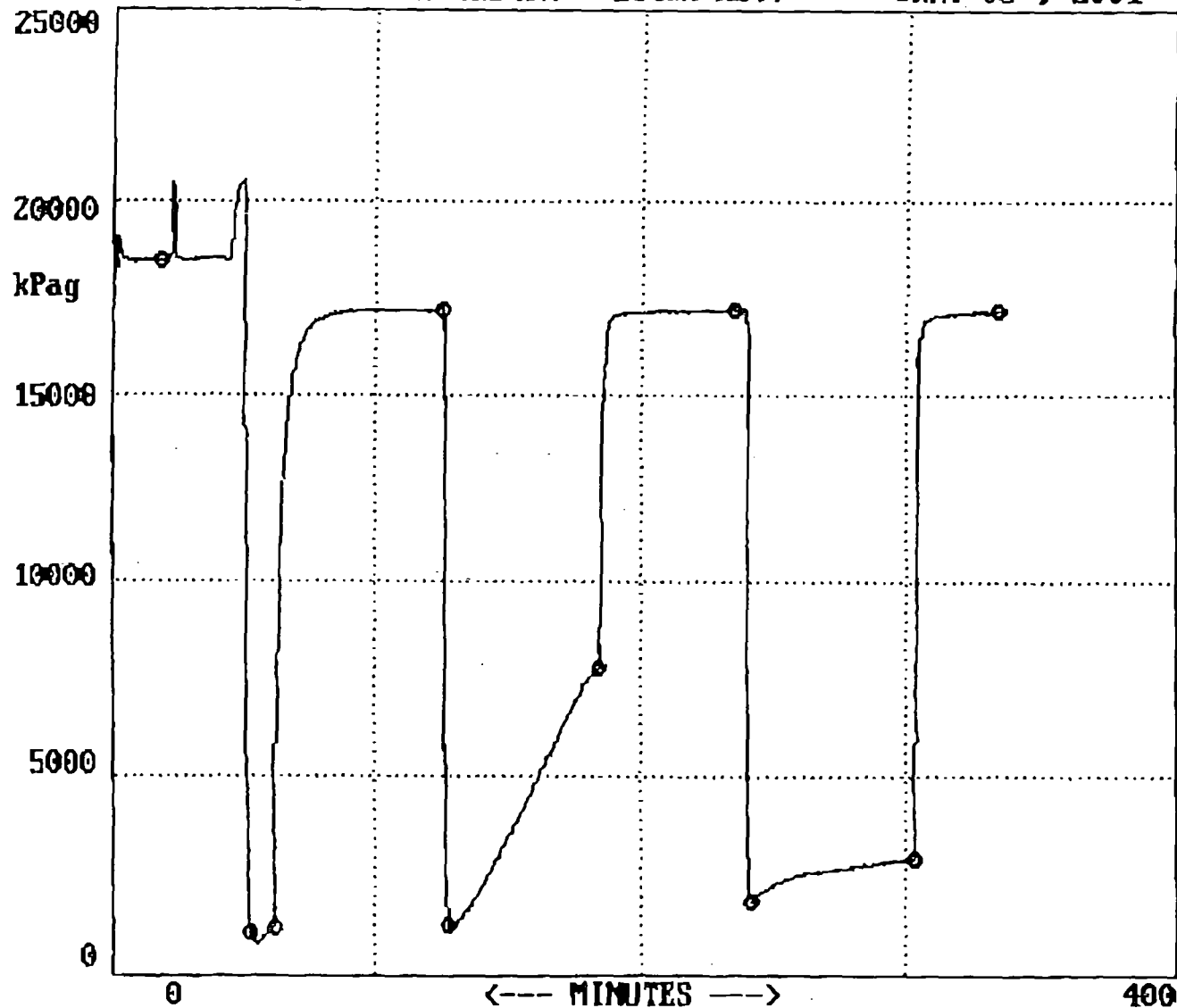
Remarks:

Good morning, Paul. We are currently on the FSI of DST #2 as of 0700hrs and should be finished by ~0730hrs. It should be roughly 1300hrs before we recover the recorders. We will then run a wiper trip which will take up the rest of day. I estimate that it will be mid morning tomorrow before we are on bottom for DST #3 (1730-1751m). The Interim report for DST #2 are attached to this morning report.

Regards

G. Johansson Wellsite Geologist

WELL NAME: PARA ET AL FT. LIARD N-01 LSD. N-01-60-10-123-15
D.S.T.#TWO, MATISON (1643m - 1648m KB.) JAN. 08, 2001



IHP = 18520.9

SF1 = 1110.0

EF1 = 1194.8

ES1 = 17251.1

SF2 = 1251.5

EF2 = 7800.9

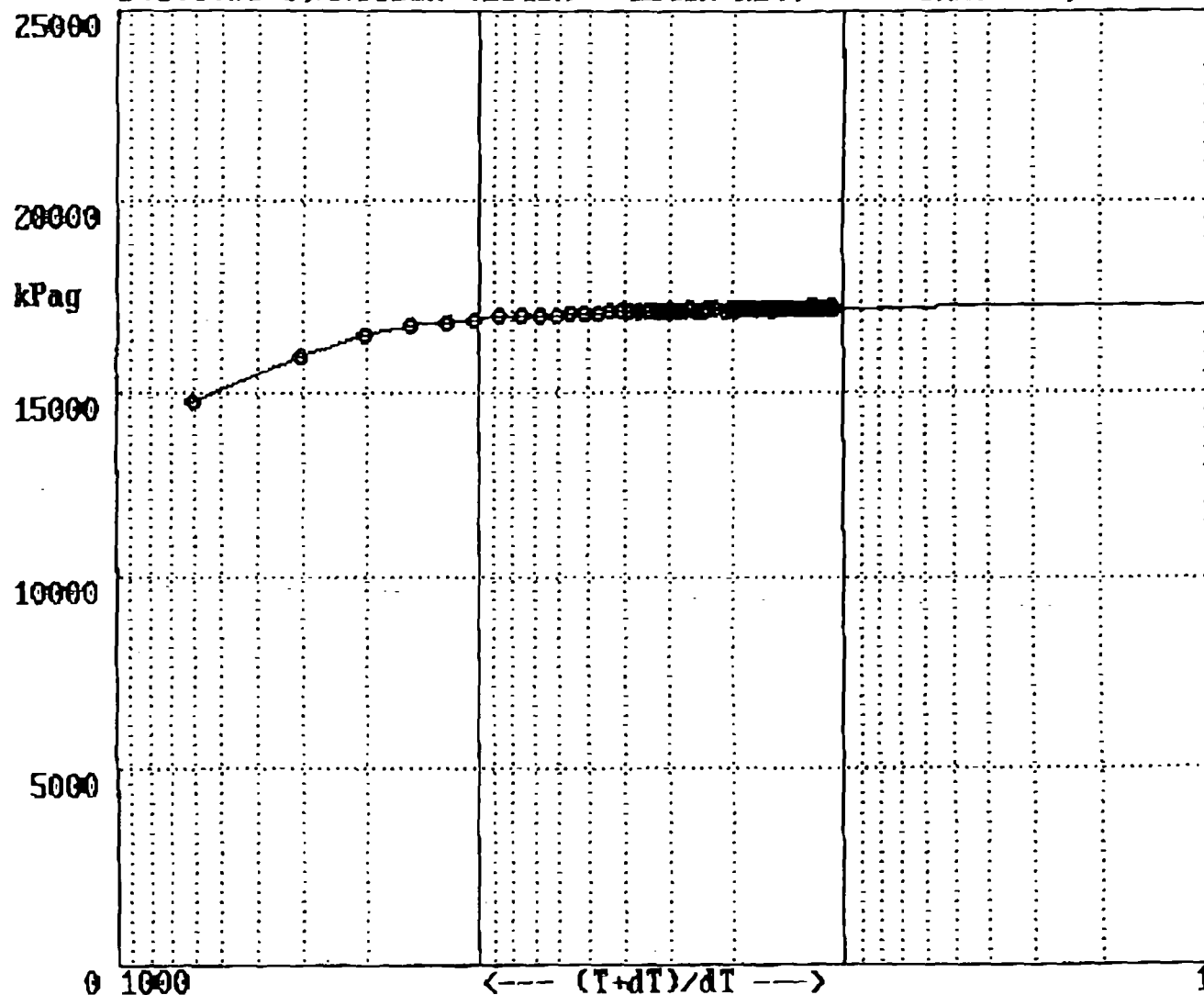
ES2 = 17230.8

SF3 = 1864.6

EF3 = 2943.9

ES3 = 17205.6

WELL NAME: PARA ET AL FT.LIARD N-01 LSD. N-01-60-10-123-15
 D.S.T.#TWO,MATTSON (1643m - 1648m KB.) JAN. 08 , 2001



HORNER PLOT
 SHUT-IN # 3

SLOPE =
 23.5
 kPa/cycle

Extrapolated
 Pressure =
 17226.9
 kPag



Drill Stem Testing - Gas Recovery Measurements

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: D2-9623

DST#: 2

Test Date: 01/07/2001 2130hrs

Well Name: PARAMOUNT ET AL FT. LIARD

Contact: WILBERT CALLIHOO

Location: N-01-60-10-123-15

Gas Measurements for Flow # 2

Gas Recovery Measured With:

Willie Choke

Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	6.35	850	4572.00
20	6.35	1300	8570.00
30	6.35	2800	17702.00
40	6.35	3700	23215.00
50	6.35	5100	31758.00
60	6.35	6200	38449.00

Gas Measurements for Flow # 3

Gas Recovery Measured With:

1

Time (min.)	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	12.70	1000	28567.00
20	12.70	1100	31072.00
30	12.70	1200	33756.00
40	12.70	1200	33756.00
50	12.70	1200	33756.00
60	12.70	1200	33756.00

JAN-08-01 08:34 AM

P. 03



Real Time Test Report

Prepared for: PARAMOUNT RESOURCES

Well Name: PARA ET AL FORT LIARD

Location: N-01-60-10-123-15

Test Date: 01/07/2001

Job Ticket #: T4-5157

DST#: 1

JAN-08-01 09:35 AM

r-00



Real Time Testing Report

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5157

DST# 1

Test Date: 01/07/2001 400hrs

Well Name: PARA ET AL FORT LIARD

Contact: WILBERT CALLIHOO

Location: N-01-80-10-123-15

General Information:

Test Type: INFLATE STRADDLE
Interval: 1682m -1691m
Formation: MATTSON
KB Elevation: 492.10m
Ground Elevation: 487.00m
Total Depth: 1940.00m
Test Mode: Gas

Tester: BILL HOLLINGSHEAD
Truck No.: UNIT #114
Contractor: PRECISION
Rig No.: 387
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 57.00 C

Telemetry Recorder Information:

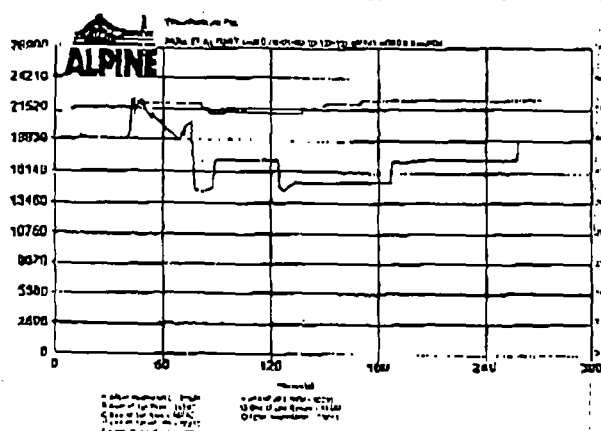
INSIDE

Recorder #: 934 Depth: 1670.00 m

Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	18820.4
B Start of 1st Flow	0.00	14766.7
C End of 1st Flow	10.02	14742.2
D End of 1st Shutin	36.90	17212.2
E Start of 2nd Flow	0.00	14777.7
F End of 2nd Flow	61.08	15340.6
G End of 2nd Shutin	70.14	17187.2
Q Final Hydrostatic	0.00	18810.6

Test Run Information:

Start Time: 400hrs
Reached Test Depth: 947hrs
Pull Out Time: 1245hrs
Tool Out Of Hole:
Water Loss: 6.50cm³
Mud Drop: NO
VIS: 74.00S/L
Filter Cake: 0.00mm
Pump Time: 30min
Reversed Out: NO
Mud Type: GEL CHEMICAL
Mud Weight: 1140.00kg/m³
Amount of fill: 0.00m
Amount of cushion: 0.00
Type of cushion: N/A



General Remarks:

WELL LIC. # 1902
TEST TIMES 10 - 39 - 60 - 70
TOOL OPEN FOR PREFLOW AT 09:47 JAN. 07, 2001

PREFLOW: Strong air blow immediately gas to surface in 1.5 minutes strong 7 metre flare.

FINAL FLOW: Strong gas blow immediately and throughout. Mud spray to surface at 10 to 18 minutes into flow. See gas recovery page of this report for gas flow rates.

Recovery Description:

TOTAL ESTIMATED FLUID RECOVERY OF 20 METRES

JAN-08-01 08:33 AM

**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: T4-5157

DST#: 1

Test Date: 01/07/2001 400hrs

Well Name: PARA ET AL FORT LIARD

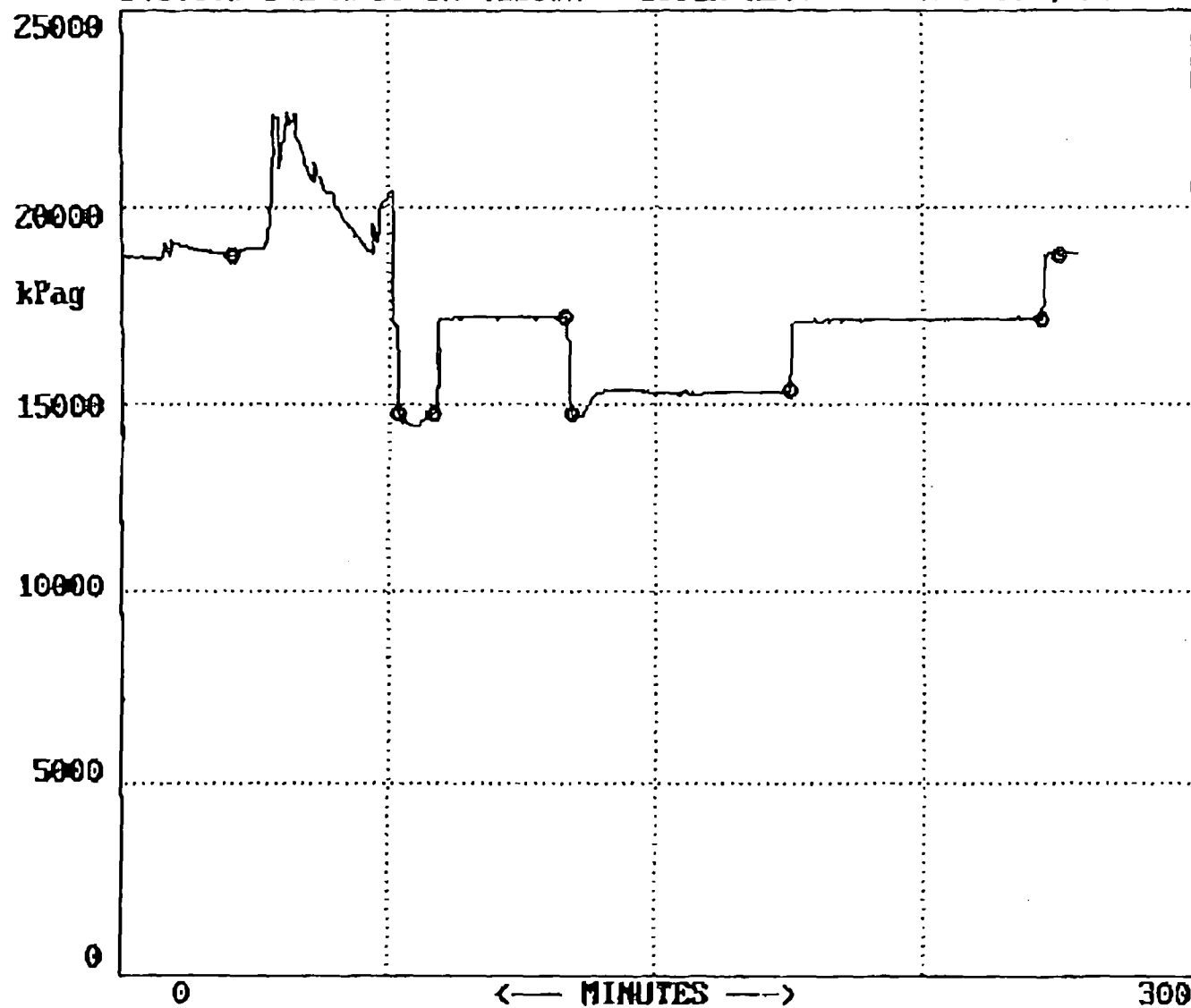
Contact: WILBERT CALLIHOO

Location: N-01-80-10-123-16

Gas Measurements for Flow # 2

Time (min.)	Gas Recovery Measured With:		Willis Choke
	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	22.23	6000	548260.00
20	22.23	6500	592831.00
30	22.23	6500	592831.00
40	22.23	6500	592831.00
50	22.23	6500	592831.00
60	22.23	6500	592831.00

WELL NAME: PARA ET AL FORT LIARD LSD. N-01-60-10-123-15
D.S.T.# ONE MATTSOM (1682m - 1691m KB.) JAN. 07, 2001



IHP = 18820.2

SF1 = 14766.7

EF1 = 14742.2

ES1 = 17212.2

SF2 = 14777.7

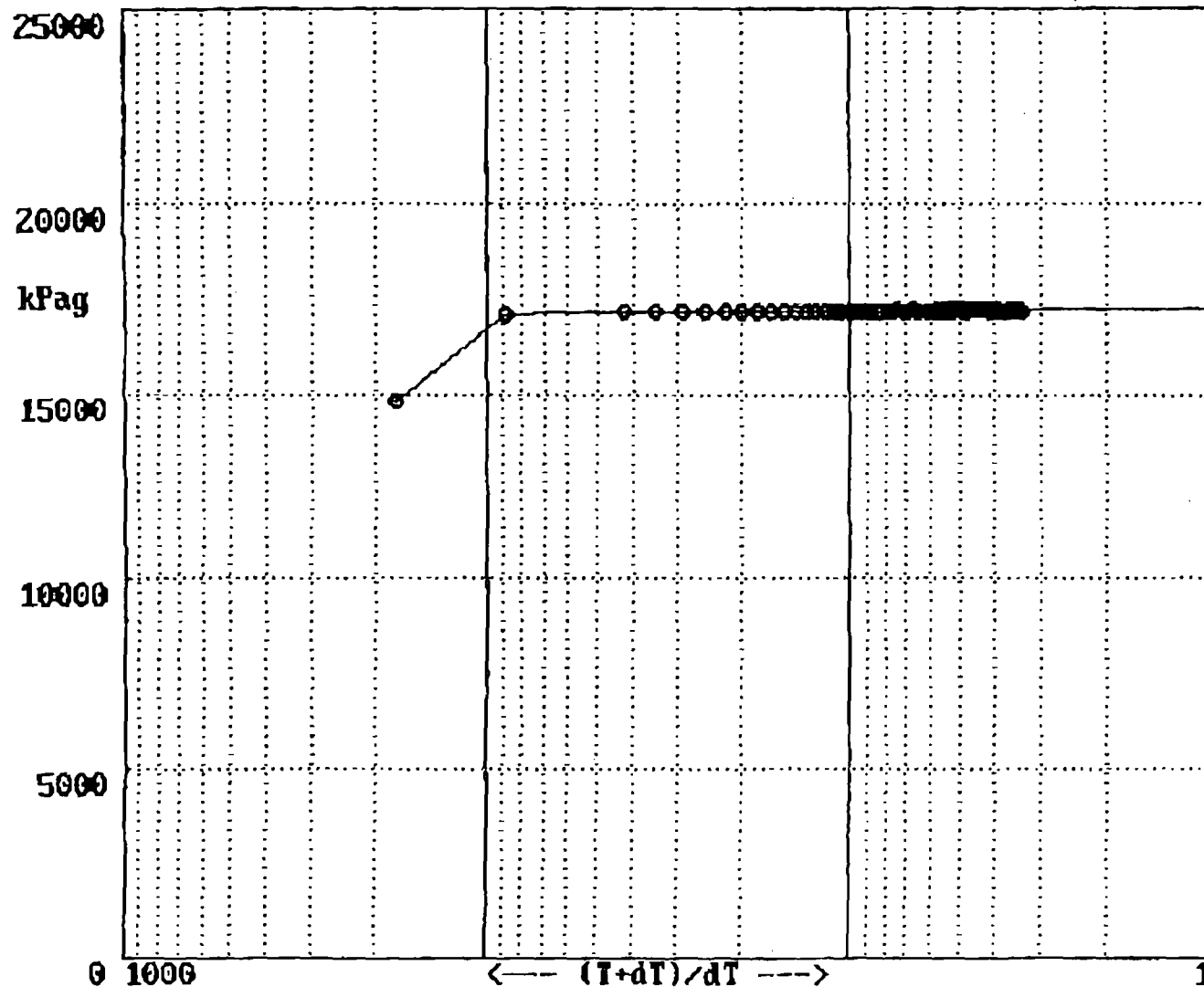
EF2 = 15340.6

ES2 = 17187.2

FHP = 18810.5

*p275x

WELL NAME: PARA ET AL FORT LIARD LSD. N-01-60-10-123-15
 D.S.T.# ONE MATISON (1682m - 1691m KB.) JAN. 07 , 2001

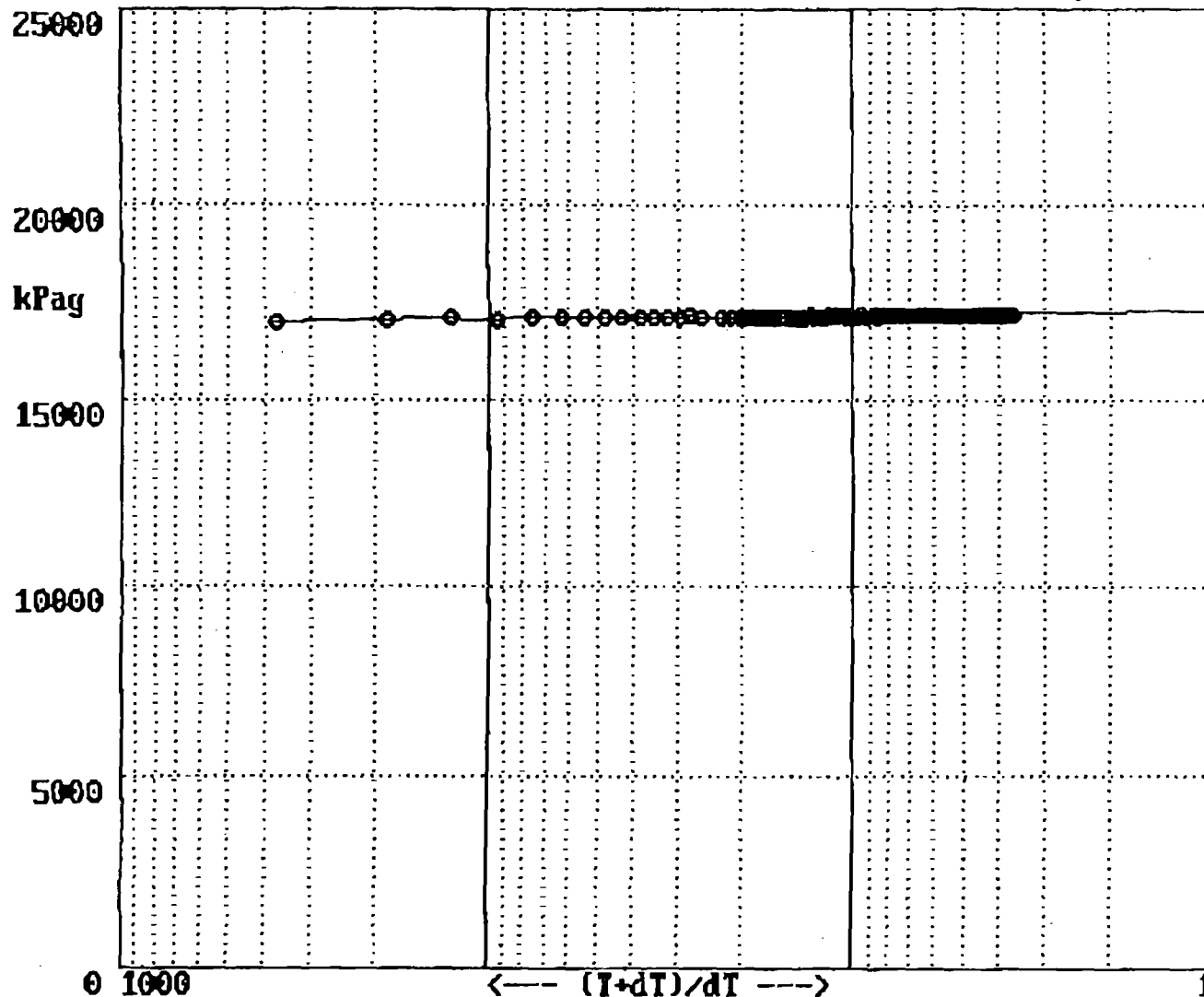


HORNER PLOT
 SHUT-IN # 1

SLOPE =
 31.9
 kPa/cycle

Extrapolated
 Pressure =
 17234.5
 kPag

WELL NAME: PARA ET AL FORT LIARD LSD. N-01-60-10-123-15
D.S.T.# ONE MATTSO (1682m - 1691m KB.) JAN. 07, 2001



HORNER PLOT
SHUT-IN # 2

SLOPE =
208.3
kPa/cycle

Extrapolated
Pressure =
17303.2
kPag

JAN-08-01 08:37 AM

P. 11



Drill Stem Test Report

Prepared for: **PARAMOUNT RESOURCES**

Well Name: PARAMOUNT ET AL FT. LIARD

Location: N-01-60-10-123-15

Test Date: 01/07/2001

Job Ticket #: D2-9622 DST#: 1

JAN-08-01 08:38 AM



Drill Stem Testing - Tool Diagram / Description

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: D2-8622

DST#: 1

Test Date: 01/07/2001 400hrs

Well Name: PARAMOUNT ET AL PT. LIARD

Contact: WILBERT CALLIHOO

Location: N-01-80-10-123-15

Inflate Straddle

Drill Collar Stands: 3

Drill Collar Singles: 0

Drill Pipe Stands: 65

Drill Pipe Singles: 0

Heavy Wt. Pipe Stands: 20

Heavy Wt. Pipe Singles: 0

Total Drill Collars/Pipe and Tools: 1686.22m

Total Drill Pipe Above K.B.: 4.22m

Total Depth: 1949m

Tool / Drill Stem Information:

Tool Weight: 2000.00 daN
 Drill Collar Inside Diameter: 54.00 mm
 Drill Collar Length: 54.49 m
 Drill Pipe Inside Diameter: 97.00 mm
 Drill Pipe Length: 1235.83 m
 Heavy Weight Pipe Diameter: 69.00 mm
 Heavy Weight Pipe Length: 372.35 m
 Bottom Choke Diameter: 12.70 mm
 Number of Packers: 2 Dia.: 196.90 mm

23.55m

37.22m

Depth:
1682m

9.10m

Depth:
1691m

4.57m

Total Depth: 1643.00m

Item	Length
P.O. Sub	0.31
C.O. Sub	0.30
P.O. Sub	0.31
FLUID REC#83	1.60
HMV Stroke	2.18
Sampler	1.10
INSIDE REC#70	1.60
Telemetry Tool	5.80
Jars	1.82
Safety Joint	0.88
Pump	2.04
Screen	1.18
Valve	2.23
Deflate	0.86
Packer	1.78
T.C.	0.72
K-3 Carrier	2.20
Bypass Hanger	0.42
Blank Spacing	4.28
Bypass Receiver	0.70
Stubb	0.72
Packer	1.70
Extension Sub	0.71
Drag Spring	2.08

Tool Remarks:

WELL LIC#1902
 INSIDE RECORDER FAILED WAS FLOODED

JHN-08-01 00:00 AM



Drill Stem Testing Report

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: D2-8622

DST#: 1

Test Date: 01/07/2001 400hrs

Well Name: PARAMOUNT ET AL FT. LIARD

Contact: WILBERT CALLHOOD

Location: N-01-60-10-123-15

General Information:

Test Type: INFLATE STRADDLE
Interval: 1882.00m - 1891.00m
Formation: MATTSON
KB Elevation: 482.10m
Ground Elevation: 487.00m
Total Depth: 1843.00m
Test Mode: Gas

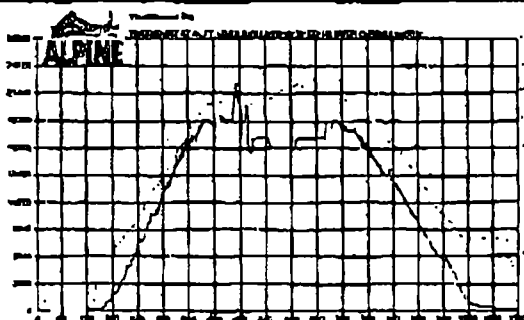
Tester: DANNY ROSS
Truck No.: UNIT 877
Contractor: PRECISION
Rig No.: 378
Hole Diameter: 222mm
Hole Condition: GOOD
Bottom Hole Temperature: 61.00 C

Electronic Recorder Information:

OUTSIDE		
Recorder #: 124	Recorder #:	
Range: 70000 kPag	Range:	kPag
Depth: 1684.00 m	Depth:	m
Flag Points:	Time:	Pressure:
A Initial Hydrostatic	0.00	18971.3
B Start of 1st Flow	0.00	18798.8
C End of 1st Flow	10.00	18841.8
D End of 1st Shutin	37.00	17075.4
E Start of 2nd Flow	0.00	18989.8
F End of 2nd Flow	60.00	18184.2
G End of 2nd Shutin	70.00	17041.9
Q Final Hydrostatic	0.00	18832.4

Test Run Information:

Start Time: 400hrs
Reached Test Depth: 900hrs
Pull Out Time: 1300hrs
Tool Out Of Hole: 1900hrs
Weight set on Packers: 8000.00daN
Weight to free Packers: 8000.00daN
Initial String Weight: 41000.00daN
Unseated String Weight: 42000.00daN
Tool Chased Dist: 0.00m
Water Loss: 6.60cm³
Mud Type: GEL CHEMICAL
Mud Drop: NO
Mud Weight: 1110.00kg/m³
VIS: 74.00S/L
Amount of fill: 0.00m
Filter Cake: 1.60mm
Amt of cushion: 0.00
Pump Time: 25min
Type of cushion: N/A
Reversed Out: NO



Recovery Description:

ONE SAMPLER RUN G.P.-88 2 GAS BOMBS CAUGHT
PF=0000198 & MF=0000818. Total fluid recovery was 27
meters, consisting of 22 metres of clear condensate with
48api gravity, 5 metres of drilling mud, 8fluid recovery
samples and 1 mud tank sample.

General Remarks:

PREFLOW: SRTONG AIR BLOW IMMEDIATELY. GAS TO
SURFACE IN 1min. 30secs. WITH A STRONG 7m FLARE
AT PIT.

FINAL FLOW: GAS TO SURFACE IMMEDIATELY. REFER
TO CHARTS FOR GAS PRESSURES.

Gas Bomb: 2 Sampler: 1
Fluid Sample: 6 Sent to: AGAT LAB

JAN-08-01 00:40 HPI

**Drill Stem Testing - Gas Recovery Measurements**

Company: PARAMOUNT RESOURCES LTD.

Job Ticket #: D2-9822

DST#: 1

Test Date: 01/07/2001 400hrs

Well Name: PARAMOUNT ET AL FT. LIARD

Contact: WILBERT CALLIHOO

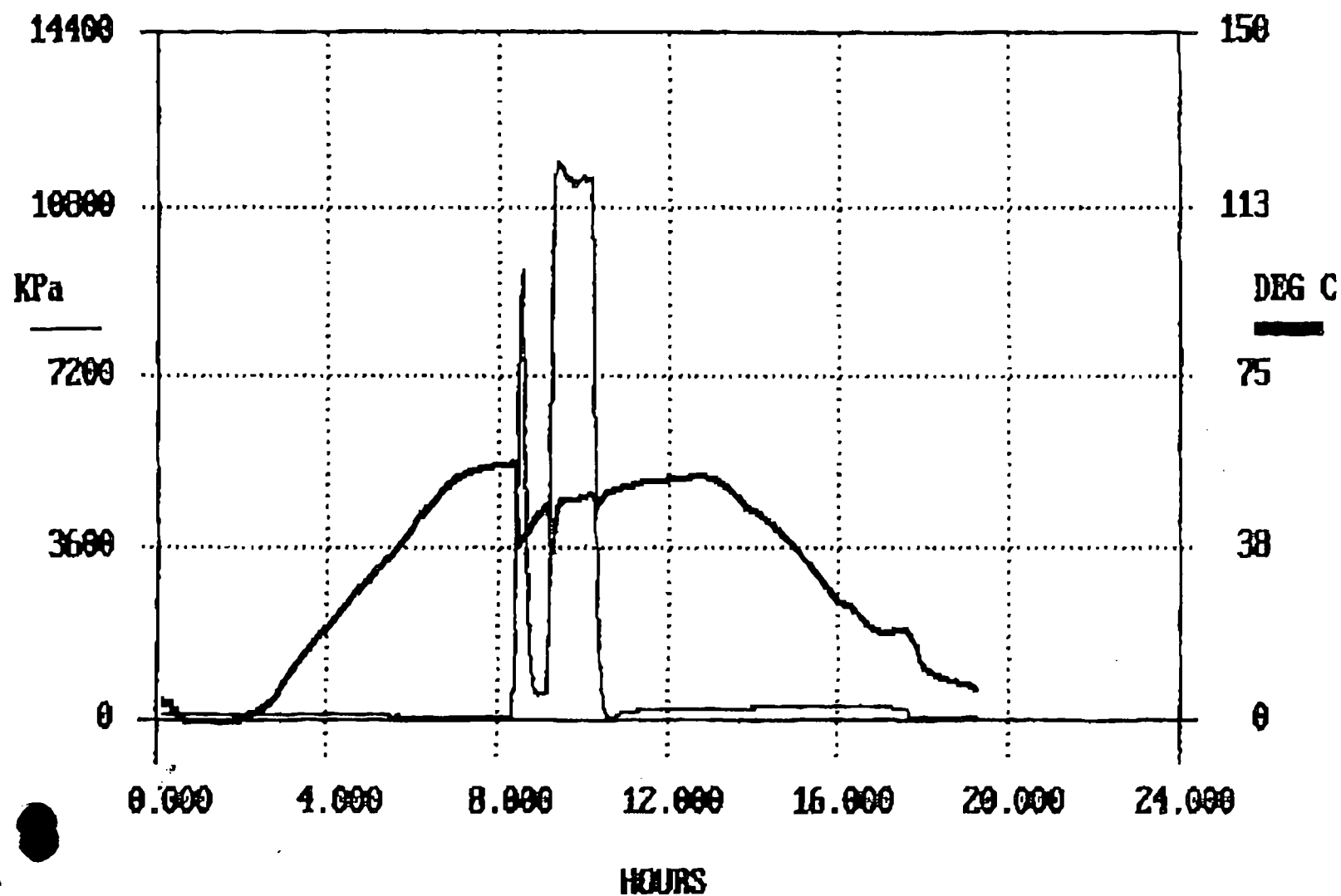
Location: N-01-80-10-123-15

Gas Measurements for Flow # 2

Time (min.)	Gas Recovery Measured With:		Willis Choke
	Orifice (mm)	Pressure (kPa)	Rate (m ³ /d)
10	22.23	6000	548260.00
20	22.23	6500	592831.00
30	22.23	6500	592831.00
40	22.23	6500	592831.00
50	22.23	6500	592831.00
60	22.23	6500	592831.00

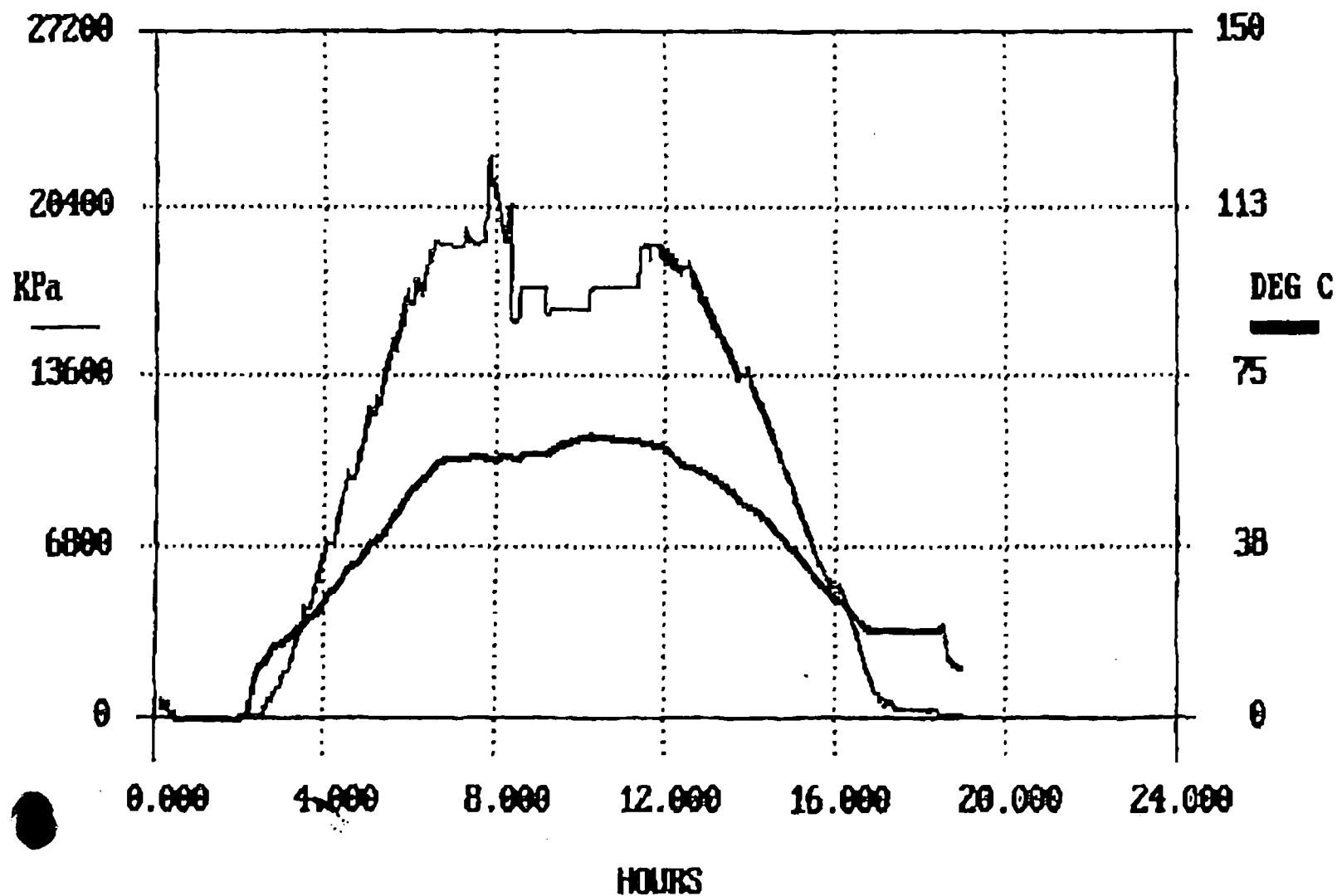
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s/n 63 PARAMOUNT ET AL FT. LIARD N-01 DST#1 TIC#2-9622 REC#63 FLUID



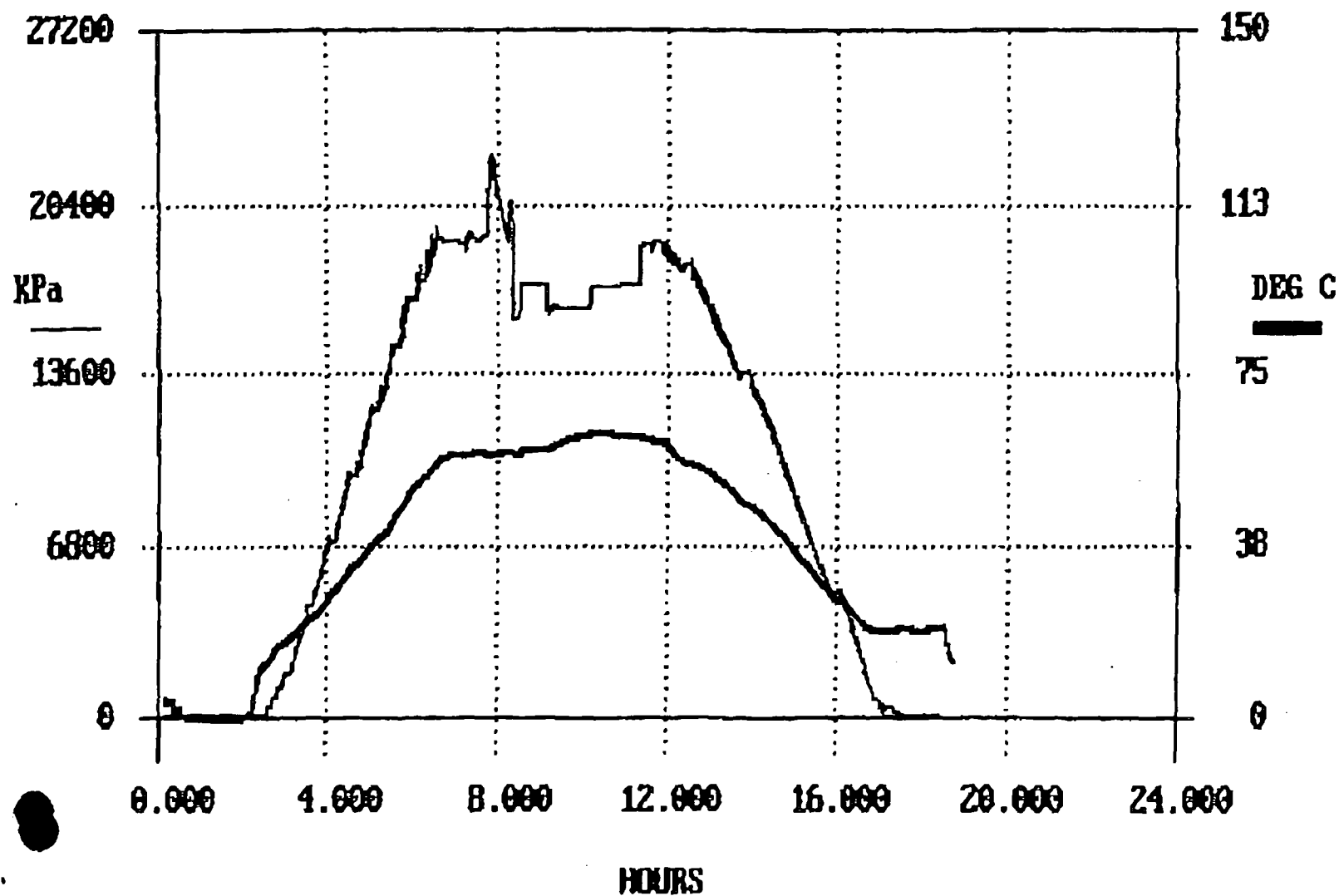
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s/n 124 PARAMOUNT ET AL FT.LIARD N-01 DST#1 TIC#2-9622 REC#124 OUTSIDE



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S/n 126 PARAMOUNT ET AL FT. LIARD N-01 DST#1 TIC#2-9622 REC#126 OUTSIDE



PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: Wilbert Callihoo

CELLULAR #: 780-940-8655

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D. 2100

DAILY COST: \$36,000

CUM. COST: \$1,946,500

DAILY MUD: \$500

CUM MUD: \$25,500

DAY: 24 REP DATE: 5/1/01 STATUS 08:00 Drill 222mm Hole @ 1928M

DEPTH: 1912 PROG. 11 KB: 492.10 GL: 487.00 MACP: 3416

SURVEYS: 1892 - 2.80 @ 358 @ & 1902 - 2.80 @ 352 @

MUD TYPE: GEL CHEM WT: 1140 VISC: 62 WL: 7 FC 1 PH: 9

ADDITIVES: 5 Sax Sawdust - 15 Sax Barite

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
8	BZ998	222mm	RBI	C&LRGDSP	3X18.1	1912	39	21.75	8-6-20	19-24000	55

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	95	1.240	8000	80	44	28
CONT-EMSCO	D-500	152	408						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT & DOG SUB	222	73	0.44
MUDMTR-RMR-FLTSUB	172	84	10.64
2-MONEL DCS-LDGSUB	172	72	19.62
8-DC&STAB	172	64	56.68
JARS&6-DCs	172	60	59.16
XO-SUB	164	72	0.46
40 HWDP & 1 146 DP	114	70&102	1760.54
KELLY	114	89	4.80
TOTAL			1912.34

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0.1:0 "G" W/1% CaCL2
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TIME DISTRIBUTION

MOVE/RIG-UP
 DRILL MH & RH:
 RIG SERVICE: 0.25
 SURVEY: 0.25
 PRESSURE TEST:
 DRILL: 7.50
 DRILL OUT:
 CIRCULATE: 1.00
 NIPPLE UP BOP:
 HANDLE TOOLS 3.75
 BOP DRILL
 RIG REP:
 LOGGING:
 CEMENT:
 WOC:
 RUN CSG:
 DST:
 TRIP: 10.25
 L.D.D.S.:
 REAM: 1.00
 FLOW CHECK
 DRILLLINE

TOTAL HOURS: 24.00

Drill Ahead 222mm Hole using Down Hole Mud Motor and Rotary - Drill to 1912M @ 08:00 Hrs. - Circ up Bottom Hole Sample - Mix and Pump Wt Material Pill - Blow Kelly - Trip out of Hole with No Problems - Had to Repair MWD Tool when out of Hole and Replace 2 Rollers on Roller Reamer Body - Run Back In Hole - Pulse Test MWD Tool when Running In Hole - Run in to 1895M - Break Circ and Clean and Ream to Bottom Weather - Clear - Wind from N - N.E. @ 30 Km/h - Feels Very Cold - 22oC

DRILLING REPORT DAY 24

JAN-05-01 04:30 PM

P. 01

Daily Geological Report**Paramount Resources Ltd.****Date: 5th January 2001****Country: Canada****Well: Paramount et al Ft. Liard N-01**

To	Attention	Fax Number
Paramount Resources Ltd.	Paul Price	(403) 286-6032

Report No: DGR 13	Rig: Precision Rig #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 23	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: FBOD	Hours Drilling: 7.5
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1140	Average ROP: 1.5m/hr
Vls: 61	pH: 9.0	F.L.: 7.0	Cl: -

24 Hour Operations Summary (00.00-24.00 hours)

Drill 1901-1912m, condition mud & circulate, POOH for bit, directional work, repair reamer, make up bit & tools, RIH, ream to bottom.

Midnight Depth: 04-01-01 1912m MD; -1409.8m TVDSS Progress: 11m

Status at 0600 hours (5th Jan.)

Depth m MD KB	(TVD SS)	Formation
1923m	-1431.8m	Mattson
Present Operation: Circulating.		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		Hi/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Mattson	1511	-1019.8	1517.2	-1026.0			0.2
M1 Zone	1625	-1133.8	1626.2	-1135.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1731	-1239.8	1730.2	-1239.0			-0.8
M4 Zone	1755	-1263.8	1754.2	-1263.0			-0.6
M5 Zone	1779	-1287.8	1780.2	-1289.0			1.2
M6 Zone	1861	-1369.8	1840.2	-1349.0			-20.8
M7 Zone	1888?	-1396.8	1895.2	-1404.0			7.27
Mattson Fault	1914.5?	-1423.3	1960.2	-1469.0			

Next Operation (06:00 hours onwards): Drill ahead to FTD, wiper trip, POOH to log.

Remarks:

Good morning, Paul. There is not much to report for yesterday as only 11m were drilled. The section was dominantly very fine grained & silty tight sandstone with predominantly siliceous cements. A significant increase in minor stylolites was noted.

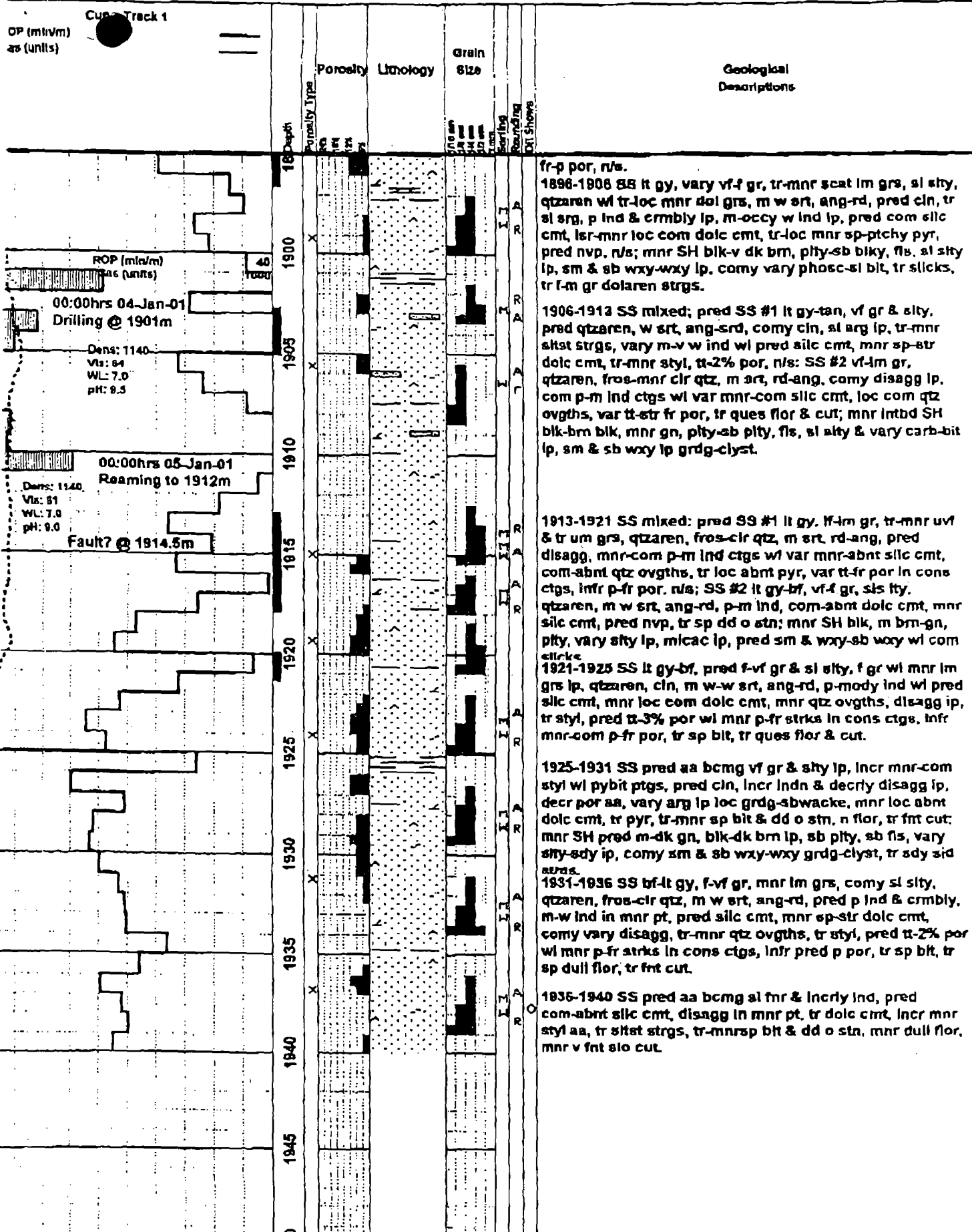
We tripped for most of the day & got back drilling around midnight. The section drilled since midnight consists of eolian-dominated sandstone with some interbedded finer-grained sandstone (i.e., f-vf gr) with common dolomitic cements. There is minor sub waxy to waxy shale with common slickensides in the 1920m sample. There is also an increase in pyrite. Proximity to a fault is indicated. The fault may be at 1914.5m.

Regards

G. Johansson Wellsite Geologist

JAN-05-01 04:30 PM

P. 02



JAN-05-01 04:51 PM

P. 05

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. out-off

WELL NAME:	PARAMOUNT et al FORT LIARD NWT	REPORT NO.:	26
LOCATION:	N-01-60-10-123-15	DATE:	JAN 05, 2000
DRILLING SUPERVISOR(S):	WIBERT CALAHOO	DEPTH & REPORT:	1923 m
GEOLOGIST(S):	GARY JOHANNSON	24HR. PROGRESS:	13 m
ANALYST(S):	JIM LOADER	LAG (min) / BPM:	58 / 95

MUD PROPERTIES : DEN 1140 Kg/m3; VIS 63 sec/L; WL 7.0; pH 9.5
DRILLING PARAMETERS : RPM 55 / FOB 20 / PP 8700 / SPM 95

RIG STATUS AT 06:00 hrs: TRIP FOR BIT, REAM TO BOTTOM, DRILL AHEAD.

SUMMARY OF GASESBACKGROUND GAS : 30 - 50 UNITS FROM 1909 m TO 1923 mGAS PEAKS : 91 - 102 UNITS FROM 1918 m TO 1921 m

<u>PRODUCED GASES:</u>	TYPE	PEAK	/	BKGD	/	TIME PUMPS OFF	/	DEPTH
	TG	2597	/	50	/	960min	/	1913 m

COMMENTS : DRILLING AHEAD IN THE FAULT AREA OF THE MATTISON FORMATION.ABBREVIATIONS

CG - Connection Gas	RTG - Recycled Trip Gas
BG - Survey Gas	FCG - Flow Check Gas
TG - Trip Gas	WTG - Wiper Trip Gas
SDG - Shut Down Gas	DGP - Drilled Gas Peak

JAN-04-01 09:22 AM

P. 01

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: Wilbert Callihoo

CELLULAR #: 780-940-8655

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D 2100

DAILY COST: \$54,500

CUM. COST: \$1,346,500

DAILY MUD: \$500

CUM MUD: \$25,000

DAY: 23 REP DATE: 4/1/10 STATUS 08:00 Drill 222mm Hole @ 1912M
 DEPTH: 1901 PROG. 28 KB: 492.10 GL: 487.00 MACP: 3416
 SURVEYS: 1864 - 3.50 @ 3560 & 1873 - 3.30 @ 3540 - 1882 - 3.20 @ 3600

MUD TYPE: GEL CHEM WT: 1140 VISC: 64 WL: 7 FC 1 PH: 9.5
 ADDITIVES: 2 Sax Caustic

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
8	BZ998	222mm	RBI	C8LRGDSP	3X19.1		28	14.25	RUN	19-24000	55

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	95	1.240	8600	80	44	28
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT & DOG SUB	222	73	0.44
MUDMTR-RMR-FLTSUE	172	64	10.64
2-MONEL DCS-LDGSUE	172	72	19.62
6-DCs&STAB	172	64	56.68
JARS&6-DCs	172	60	59.16
XO-SUB	164	72	0.46
40 HWDP & 1 142 DP	114	70&102	1750.70
KELLY	114	89	3.41
TOTAL			1901.11

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.75	CEMENT:	
SURVEY:	0.25	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	14.25	DST:	
DRILL OUT:		TRIP:	4.25
CIRCULATE:		L.D.D.S.:	
NIPPLE UP BOP:		REAM:	0.50
HANDLE TOOLS	3.25	FLOW CHECK	
BOP DRILL		DRILLLINE	0.75

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCL2
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

Finish Making up BHA - Change out Down Hole Mud Motor and Service MWD Tools - Run In Drill Collars & Hevi Wate Pipe - Slip and Cut Drilling Line - Pulse Test MWD Tools - Run In Hole to 1864M - Break Circ - Clean and Ream to Bottom @ 1873M - Drill Ahead with Rotary and Down Hole Mud Motor - Were able to Slide Drill String and Bring Deviation back toward Vertical - Going along O.K. - Had More Short Sections of Faster Drilling - No Great Amount of Gas In Faster Drilling Sections
 Weather this A.M. - Clear - Calm - Cold - Temp -22oC.

JAN-04-01 09:03 AM

P. 01

Daily Geological Report**Paramount Resources Ltd.**

Date: 4th January 2001

Country: Canada

Well: Paramount et al Ft. Liard N-01

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

Report No: DGR 12	Rlg: Precision Rlg #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 22	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: C8-LRGDSP	Hours Drilling: 14.25
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1140	Average ROP: 2.0m/hr
Vib: 66	pH: 9.5	F.L.: 7.0	Cl: --

24 Hour Operations Summary (00.00-24.00 hours)

POOH, work on directional tools, make up BHA, RIH, slip & cut, RIH, ream 1864-1873m, drill 1873-1901m.		
Midnight Depth: 03-01-01	1901m MD: -1409.8m TVDSS	Progress: 28m

Status at 0600 hours (4th Jan.)

Depth m MD KB	(TVD SS)	Formation
1910m	-1418.8m	Mattson - M6????? Zone
Present Operation: Drilling.		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		Hi/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Mattson	1511	-1019.8	1517.2	-1026.0			6.2
M1 Zone	1625	-1133.8	1626.2	-1138.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1731	-1239.8	1730.2	-1239.0			-0.8
M4 Zone	1755	-1263.8	1754.2	-1263.0			-0.8
M5 Zone	1779	-1287.8	1780.2	-1289.0			1.2
M6 Zone	1861	-1369.8	1840.2	-1349.0			-20.8
M7 Zone	18887	-1396.8	1895.2	-1404.0			7.2?

Next Operation (06:00 hours onwards): Drill ahead, probable bit trip.

Remarks:

Good morning, Paul.

The succession drilled yesterday consists of an eolian dominated package comprising eolian deposits with some thin interbedded finer-grained sandstone with common dolomitic cements of possible shoreface affinity. There is minor shale and trace dolarenite stringers in this section. There is a possible M7 top pick @1888m at the top of a ~8m thick eolian unit with common fair porosity. There was a minor gas show at the top of this unit.

We have been drilling considerably slower since getting back drilling with the new bit. At this point, it seems unlikely that we will be able to make to 1940m with this bit.

Regards

G. Johansson Wellsite Geologist

JAN-04-01 09:04 AM

P. 02

Curve Track 1

ROP (min/m)
us (units)

Depth

Porosity

Lithology

Grain
SizeGeological
Description

Dens: 1135

Vis: 60

WL: 7.0

pH: 9.5

00:00hrs 03-Jan-01
Tripping @ 1873m

non depth reset: no ROP data for 1884m

FOB: 20.24dAN
RPM: 53-motor
SPM: 95
PP: 8700

Dens: 1135

Vis: 58

WL: 7.0

pH: 9.5

M77 Zone @ 1888m

Dens: 1146
Vis: 67
WL: 8.5
pH: 10.0ROP (min/m)
us (units)00:00hrs 04-Jan-01
Drilling @ 1901mDens: 1140
Vis: 64
WL: 7.0
pH: 9.5

1865-1868 SH lt gy, f-vf gr, tr lm grs, sl shly, qtzaren, clr-fros qtz, m w art, ang-rd, cln, p-mod ind, abnt dolc cmt, pred nvp, com v fnt flor, tr ques cut.

1868-1873 SS lt gy, pred f gr, mnr lm & tr-mnr uvf grs, qtzaren, pred fros qtz, mody w srt, rd-sb ang, cln, decrly comy disagg, com p & fri cons ctgs w/ mnr-loc com sp silc cmt, tr sp kaol-III, tr qtz ovghs, pred var fr-str p por in cons ctgs, lnfr pred fr-str g por, n flor, tr-mnr v fnt cut.

1873-1876 SH w/ SS; SH blk-v dk gy, v frm-hd, sb pty-sb blk, pred mody-v shly w/ com arg sltst strgs, phosc-sl bit; SS pred as bel w/ 1-3% por, n/s.

1876-1880 SS lt gy, f-vf gr, vary shly lp, qtzaren w/ r-tr dolc grs, mody w srt, ang-rd, cln, occl ady sltst lams, vary p-mody ind, crmbly-fri lp, disagg lp, pred com-abnt dolc cmt, mnr loc com str silc cmt, loc mnr qtz ovghs, pred 1-3% por, mnr-loc com fr por, n/s.

1880-1888 SS v alm-abv, lt gy, f-vf gr, vary shly lp, qtzaren w/ r-tr dolc grs, mody w srt, ang-rd, cln, w/ occl ady sltst lams, vary p-mody ind, crmbly-fri lp, disagg lp, decr com-loc abnt dolc cmt, lncr mnr-com str silc cmt, tr-mnr qtz ovghs, pred 1-3% por, mnr str p-fr por, n/s, tr dolaren strg & r-tr c gr litharen lags, mnr lnfrd SH aa.

1888-1891 SS lt gy, lt-lm gr, qtzaren w/ fros-lsr clr qtz, tr cht grs, mody-mody w srt, rd-ang, cln, pred disagg, tr cons ctgs w/ com dolc cmt & var fr-p por, lnfr pred fr-str g por, tr ques cut & flor.

1891-1896 SS alm-abv, lt gy, lt-lm gr, mnr uvf & tr um grs, qtzaren w/ fros-lsr clr qtz, mody-mody w art, rd-sb ang, cln, pred disagg, mnr-com pred v p & fri cons ctgs w/ var sp-str silc cmt, com-loc abnt qtz ovghs, tr sp kaol-III, var por in cons ctgs: com var fr-str g por, 1-2% por lp, lnfr com fr-p por, n/s.

1896-1906 SS lt gy, vary v-f gr, tr-mnr scat lm grs, sl shly, qtzaren w/ tr-loc mnr dol grs, m w srt, ang-rd, pred cln, tr sl srg, p ind & crmbly lp, m-occy w ind lp, pred com silc cmt, lsr-mnr loc com dolc cmt, tr-loc mnr sp-ptchy pyr, pred nvp, n/s; mnr SH blk-v dk brn, pty-sb blk, fls, sl shly lp, sm & sb wxy-wxy lp, comy vary phosc-sl bit, tr slicks, tr f-m gr dolaren strgs.

JAN-04-01 09:55 AM

r. 03

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): WIBERT CALAHOO
GEOLOGIST(S): GARY JOHANNSON
ANALYST(S): JIM LOADER

REPORT NO.: 25
DATE: JAN 04, 2000
DEPTH @ REPORT: 1910 m
24HR. PROGRESS: 37 m
LAG (min) / SPM: 58 / 95

MUD PROPERTIES : DEN 1140 Kg/m³; VIS 66 sec/L; WL 7.0; pH 9.5
DRILLING PARAMETERS : RPM 55 / FOB 24 / PP 8700 / SPM 95

RIG STATUS AT 06:00 hrs: DRILLING AHEAD.

SUMMARY OF GASES

BACKGROUND GAS : 100 - 200 UNITS FROM 1873 m TO 1880 m
25 - 35 UNITS FROM 1880 m TO 1899 m
45 - 75 UNITS FROM 1899 m TO 1909 m

GAS PEAKS : 130 - 518 UNITS FROM 1876 m TO 1880 m
132 - 172 UNITS FROM 1888 m TO 1891 m
114 - 121 UNITS FROM 1903 m TO 1907 m

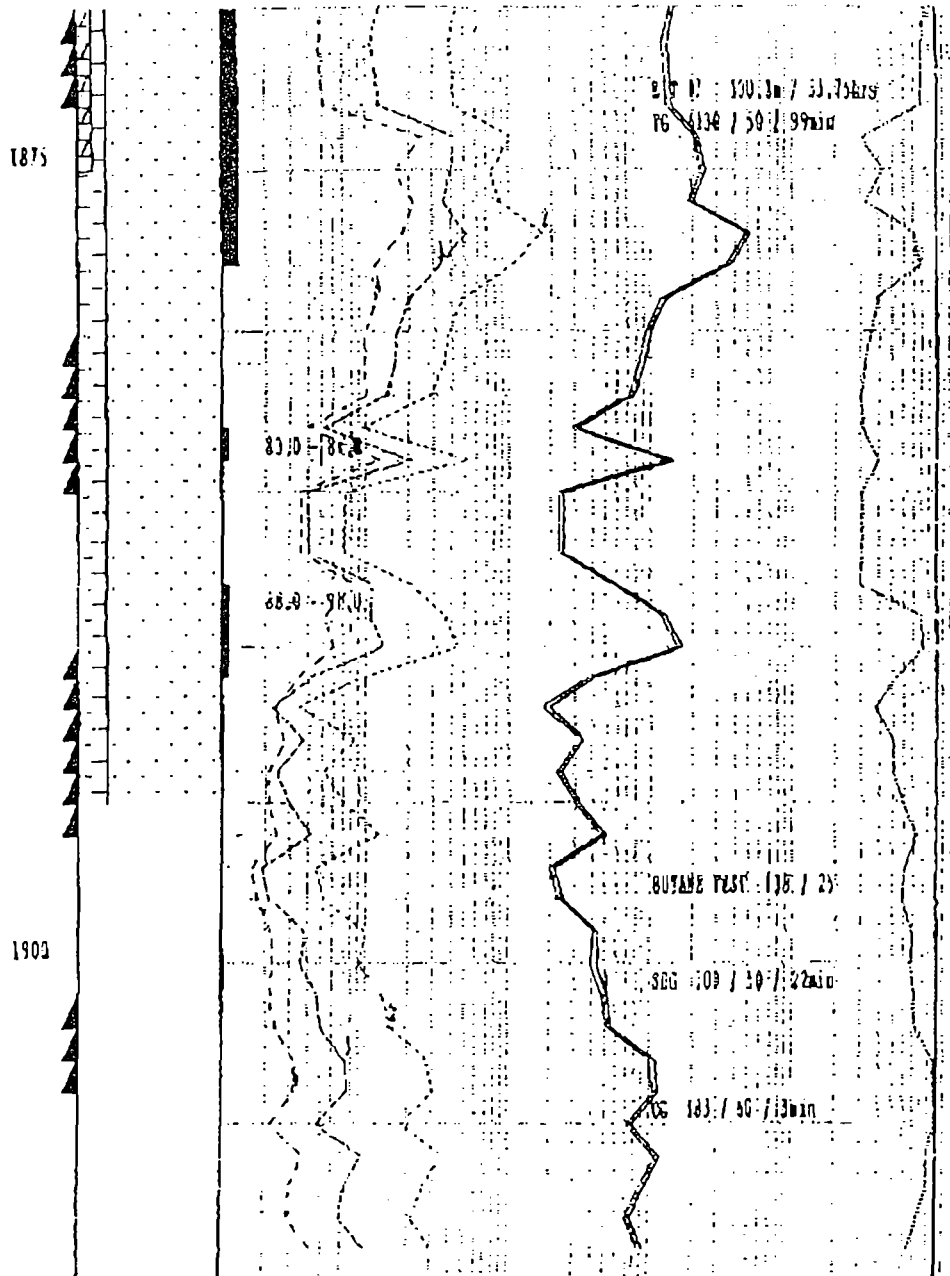
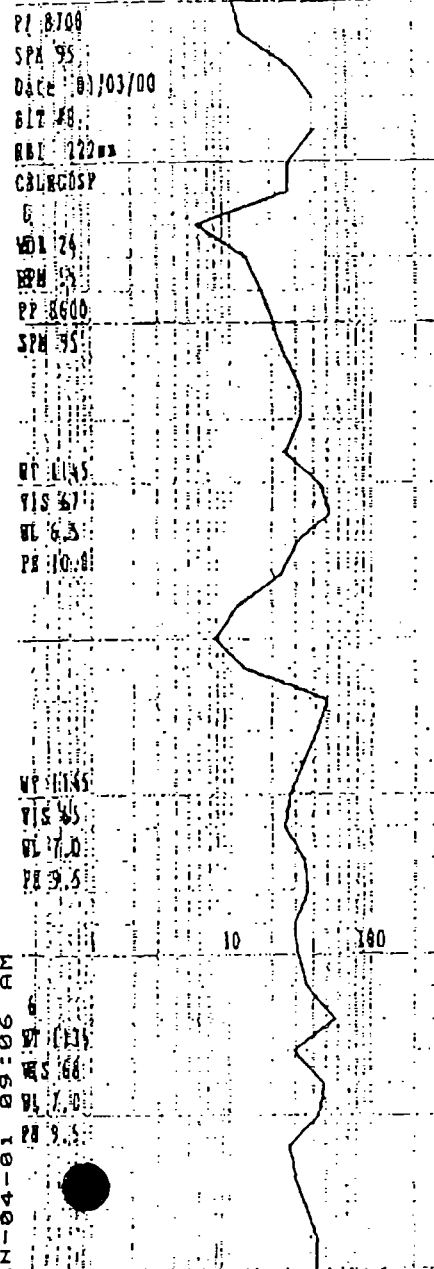
<u>PRODUCED GASES</u> :	TYPE	PEAK	/	BGCD	/	TIME PUMPS OFF	/	DEPTH
	TG	4330	/	50	/	900min	/	1874 m
	CG	100	/	50	/	22min	/	1901 m
	SDG	183	/	60	/	3min	/	1905 m

COMMENTS : GASSIFIED MUD AFTER TRIP, CONNECTION GASSES SHOWING AT MUD WEIGHT
LESS THAN WT 1135, POSSIBLE AIR BUBBLES IN MUD CIRCULATION SYSTEM.

ABBREVIATIONS

CG - Connection Gas	RTG - Recycled Trip Gas
SG - Survey Gas	FCG - Flow Check Gas
TG - Trip Gas	WTG - Wiper Trip Gas
SDG - Shut Down Gas	DGP - Drilled Gas Peak

JAN-04-01 09:06 AM



SS-off wh-lt gy-lt brn gy vl gr, sb ang-sb rd, w srl, y-uncons, sil/si chl, lse qtz/ool grs 3 to 12 integ por ooc pyrbit infils/dd ol sto ooc chl abnt pyr ooc arg abnt qtz;

SS-off wh-lt brn gy vl gr, ooc f gr, sb ang-sb rd, w srl, v-cons, sil/dol, chl qtz grs, silty i to 12 integ por rs pyrbit infils/dd ol sin ooc chl abnt pyr ooc arg abnt qtz chl grs, qtz overgrths, pyr dsm blebs; SS-lt gen gy-lt brn gy-dk brn gy blk-y-sb plst; n silt-m hd, si silty, wxy sp, mic area, sl bar, shs ooc pyr;

SS-off wh-lt brn gy vl gr, ooc f gr, sb ang-sb rd, w srl, v-cons, sil/dol, qtz grs, silty up 1 to 12 integ por rs pyrbit infils/dd ol sin ooc chl abnt pyr ooc arg abnt qtz chl grs, qtz overgrths, pyr dsm blebs, chl-fros qtz grs; SS-off wh-lt brn gy vl gr, ooc f gr, sb ang-sb rd, w srl, v-cons, sil/dol, qtz grs, silty up 1 to 12 integ por rs pyrbit infils/dd ol sin ooc chl abnt pyr ooc arg abnt qtz chl grs, qtz overgrths, pyr dsm blebs, chl-fros

JAN-03-01 09:16 AM

P. 01

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1802

SUPERVISOR: Wilbert Callihoo

CELLULAR #: 780-940-8655

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D. 2100

DAILY COST: \$46,500

CUM. COST: \$1,292,000

DAILY MUD: \$1,000

CUM MUD: \$24,500

DAY: 22 REP DATE: 3/1/01 STATUS 08:00 Run In Hole W/Bit @ 1873M

DEPTH: 1873 PROG. 44 KB: 492.10 GL: 487.00 MACP: 3490

SURVEYS: 1834 - 3.30 @ 353 @ & 1846 - 3.30 @ 352 @ & 1854 - 3.50 @ 354 @

MUD TYPE: GEL CHEM WT: 1135 VISC: 60 WL: 7 FC 1 PH: 9.5

ADDITIVES: 22 Sax Gel - 15 Sax Barite

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
7	H96ZB	222mm	HUGHES	ATJ-588DX	3x17.5	1873	100	33.75	6-4-IN	18-25000	50-55

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	95	1.240	10500	80	44	28
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT & DOG SUB	222	73	0.44
MUDMTR-RMR-FLTSUB	172	64	10.64
2-MONEL DCS-LDGSUB	172	72	19.62
6-DCS&STAB	172	84	56.68
JARS&6-DCS	172	60	59.16
XO-SUB	164	72	0.46
40 HWDP & 1 142 DP	114	70&102	1721.90
KELLY	114	89	4.54
TOTAL			1873.44

TIME DISTRIBUTION

MOVE/RIG-UP	RIG REP:
DRILL MH & RH:	LOGGING:
RIG SERVICE:	0.50 CEMENT:
SURVEY:	0.75 WOC:
PRESSURE TEST:	RUN CSG:
DRILL:	16.50 DST:
DRILL OUT:	TRIP: 5.25
CIRCULATE:	1.00 L.D.D.S.:
NIPPLE UP BOP:	REAM:
HANDLE TOOLS	FLOW CHECK
BOP DRILL	DRILLLINE

TOTAL HOURS: 24.00

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0.1:0 "G" W/1% CaCL2
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

Drill Ahead 222mm Hole Using Down Hole Mud Motor and Rotary - Not able to do Required Amount of Sliding due to Pump Pressure Increase when using Mud Motor only - Have Extra Pipe Screen in Drill String that was left in Pipe when Pulse Testing MWD Tool on way In Hole on Last Trip In Hole - Had Drilling Breaks at Different Depths In Hole when Drilling - Breaks were from .5 to 2M in Length - Were able to Slide Drill String and Try to Bring back Deviation Angle before Pulling Bit - Had Good Bit Run - Made 100M in 33.25 Hrs Circ up Bottom Hole Sample - Mix and Pump Wt Material Pill - Pull out of Hole - Hole O.K. when Tripping. Weather - Clear - North Wind @ 15 Km/h. - Cold - Temp -20oC.

DRILLING REPORT DAY 24

JAN-03-01 08:46 AM

Daily Geological Report

Paramount Resources Ltd.

Date: 3rd January 2001

Country: Canada

Well: Paramount et al Ft. Liard N-01

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

Report No: DGR 11	Rig: Precision Rig #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 21	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: C8-LRGDSP	Hours Drilling: 16.5
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1135	Average ROP: 2.7m/hr
Vls: 60	pH: 9.5	F.L.: 7.0	Cl: --

24 Hour Operations Summary (00.00-24.00 hours)

Drill from 1829-1873m, circulate bottoms up, POOH.		
Midnight Depth: 02-01-01	1873m MD; -1381.8m TVDSS	Progress: 44m

Status at 0600 hours (3rd Jan.)

Depth m MD KB	(TVD SS)	Formation
1873m	-1381.8m	Mattson - M6 Zone
Present Operation: RIH.		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		Hi/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Mattson	1511	-1019.8	1517.2	-1026.0			6.2
M1 Zone	1625	-1133.8	1626.2	-1135.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1731	-1239.8	1730.2	-1239.0			-0.8
M4 Zone	1755	-1263.8	1754.2	-1263.0			-0.8
M5 Zone	1779	-1287.8	1780.2	-1289.0			1.2
M6 Zone	1861	-1369.8	1840.2	-1349.0			-20.8
M7 Zone			1895.2	-1404.0			

Next Operation (06:00 hours onwards): RIH, ream to bottom, drill ahead.

Remarks:

Good morning, Paul. We are currently running in the hole @ 1244m (as of 0700hrs) and won't be back drilling until ~0900-1000hrs.

The M6 Zone appears to come in @ 1861m, ~21m low to prognosis. The succession drilled yesterday consists of an upper shoreface-dominated section to ~1846m with a minor reworked eolian component. This section is dominated by dolomitic cements and contains a trace to minor component of dolomitic grains, as well as minor interbedded dolomite & shale. The underlying section to 1861m appears to be a mixed shoreface-eolian package consisting of eolian deposits with interbedded shoreface and variably reworked eolian deposits. The basal section is dominantly eolian but also contains some thin interbedded sandstone with abundant dolomitic cements of apparent shoreface affinity. The M6 Zone appears to be wet.

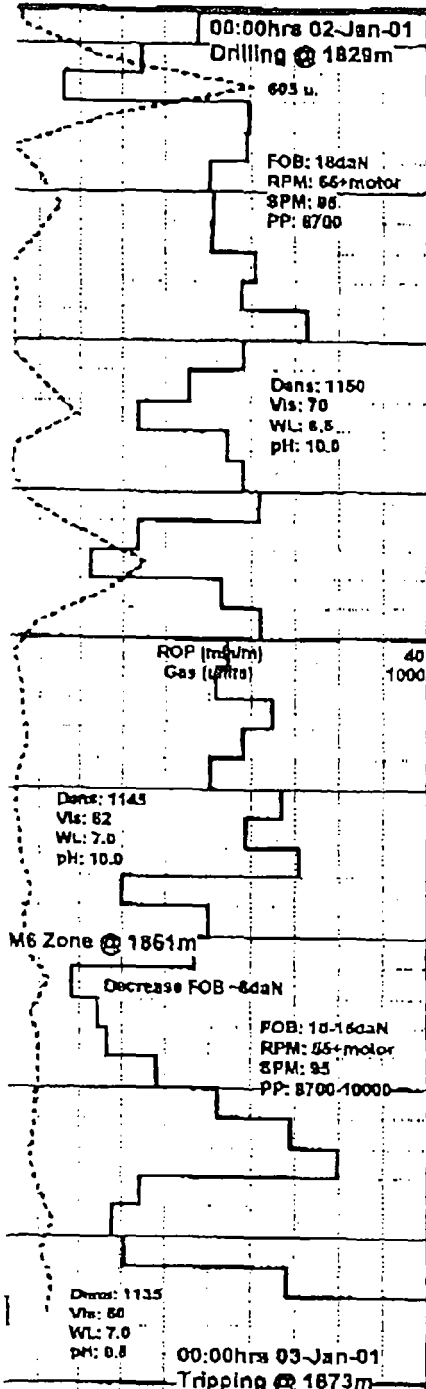
Regards

G. Johansson Wellsite Geologist

JAN-03-01 08:44 AM

P. 02

Curve Track 1

ROP (min/m)
Gas (units)

Depth	Porosity Type	Porosity	Lithology	Grain Size	Geological Descriptions
1830	X				1830-1832 SS bf, pred f gr, mnr lm & lar uvf grs, qtzaren, mody w srt, rd-sb ang, cin, comy disagg, mnr p cons & fri ctgs w/ sp dolc & silc cmt & pred fr por, infr pred fr-str g por, n flor, tr fnt ques cut.
1836	X				1832-1841 SS lt gy-bf, pred vf-f gr, vary alty ip, qtzaren, tr dolc grs, w srt, ang-srd, mnr rd grs, cin, pred mody-w ind, p ind & crmbly in mnr pt, disagg in mnr pt, pred com-abnt dolc cmt, mnr loc com silc cmt, pred tt-2% por, tr-mnr p por, mnr dull flor, n cut, tr dol strgs.
1840	X				1841-1846 SS w/ Intbd DOL & SH; SS lt gy-bf, pred vf-lm gr, vf-f gr lp, qtzaren grdg-ablitharen w/ loc mnr dolc grs, m w srt, rd-ang, comy vary disagg, com p ind & fri cons ctg w/ com dolc & silc cmt, mnr qtz ovghs, pred tt-p por in cons ctgs, infr com p-str fr por, n/s; DOL lt-dk bm, mot lp, crp-malxin, pred hd dns & vary chty grdg-dolc cht, occi dolaren strg, vary sdy ip, tr, n/s, SH aa.
1845	X				1846-1850 SS lt gy, lt-lm gr, tr-mnr uvf & um grs, qtzaren, fros-mnr clt qtz, tr cht & dol grs, m-m w srt, rd-sb ang, disagg lp, com p-m ind ctgs w/ com silc & lar dolc cmt, mnr-loc com qtz ovghs, tr sp kao-ill, pred p-str fr por in cons ctgs, infr com fr-str g por, tr-tr sp blt, n flor, tr v fnt ques cut.
1850	X				1850-1861 SS var: #1 bf-h gy, vary vf-f gr, sl shly, qtzaren, m w srt, ang-srd, mnr rd grs, cin, tr-loc mnr dolc grs, p-m ind, comy crmbly-fri, com-abnt dolc cmt, pred tt-3% por, SS #2 lt gy, vary f-m gr, mnr uvf grs, qtzaren, clt-fros qtz, m w srt, ang-rd, cin, comy disagg, com v p ind & v fri cons ctgs w/ sp silc cmt & com qtz ovghs, pred fr por in cons ctgs, mnr sp blt, mnr-com dull-mod yel flor, mnr-com v p slo thin stmg & dlt cut, tr-mnr sh & dol strgs (incl occi dolaren).
1865	X				1861-1865 SS lt gy-pale bf, pred f gr, mnr lm & tr-mnr uvf grs, qtzaren, pred fros qtz, mody w srt, rd-sb ang, cin, pred disagg, mnr v p & v fri cons ctgs w/ mnr sp silc cmt, tr sp kao-ill, tr qtz ovghs, var fr-str g por in cons ctgs, infr pred g-fr por, n flor, tr-mnr v fnt cut.
1870	X				1865-1868 SS lt gy, f-vf gr, tr lm grs, sl shly, qtzaren, clt-fros qtz, m w srt, ang-rd, cin, p-mod ind, abnt dolc cmt, pred nvp, com v fnt flor, tr ques cut.
1875	X				1868-1873 SS lt gy-pale bf, pred f gr, mnr lm & tr-mnr uvf grs, qtzaren, pred fros qtz, mody w srt, rd-sb ang, cin, pred disagg, mnr v p & v fri cons ctgs w/ mnr sp silc cmt, tr sp kao-ill, tr qtz ovghs, var fr-str g por in cons ctgs, infr pred g-fr por, n flor, tr-mnr v fnt cut.
1880					

JAN-03-01 08:45 AM

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" WCONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. out-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): WIBERT CALAHOO
GEOLOGIST(S): GARY JOHANNSON
ANALYST(S): JIM LOADER

REPORT NO.: 24
DATE: JAN 03, 2000
DEPTH @ REPORT: 1873 m
24HR. PROGRESS: 28 m
LAG (min) / SPM: 57 / 95

MUD PROPERTIES : DEN 1135 Kg/m³; VIS 60 sec/L; WL 7.0; pH 9.5
DRILLING PARAMETERS : RPM 55 / FOB 14 / PP 8700 / SPM 95

RIG STATUS AT 06:00 hrs: DRILL TO 1873 m, TRIP FOR BIT, RUNNING BACK IN HOLE.

SUMMARY OF GASESBACKGROUND GAS : 30 - 50 UNITS FROM 1845 m TO 1873 m

GAS PEAKS : 261 - 353 UNITS FROM 1846 m TO 1849 m
111 - 145 UNITS FROM 1858 m TO 1873 m

PRODUCED GASES: TYPE PEAK / BKGD / TIME PUMPS OFF / DEPTH
NO SIGNIFICANT GASSES PRESENT

COMMENTS : TRIP FOR BIT, DRILL AHEAD.ABBREVIATIONS

CG - Connection Gas	RTG - Recycled Trip Gas
SG - Survey Gas	FCG - Flow Check Gas
TG - Trip Gas	WTG - Wiper Trip Gas
SDG - Shut Down Gas	DGP - Drilled Gas Peak

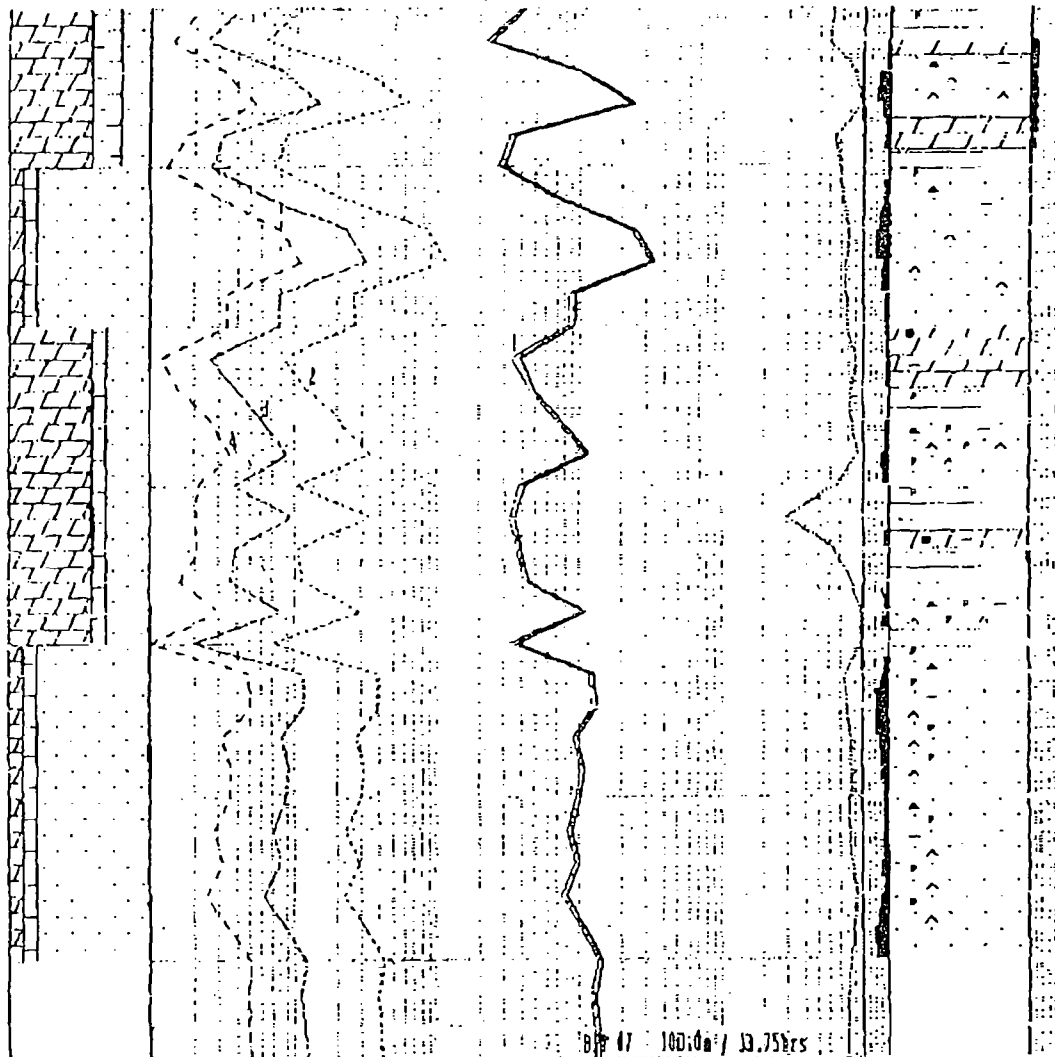
SH-lt-dk gy-blk, lt grn sb blkgy-sb pily, w hd
sl slty, wxy ip, nix mica, sl brt, phos
pels acc pyr;

SS-bl-lt gy-lt brn gy vl-l gr, sb ang-sb rd,
w srl, uncons, w cons ip, sil/si dol, qtz/dol
grs 3 to 12 intgr por tr pyrbic mls/dd ol
stn acc cht acc arg abnt qtz;

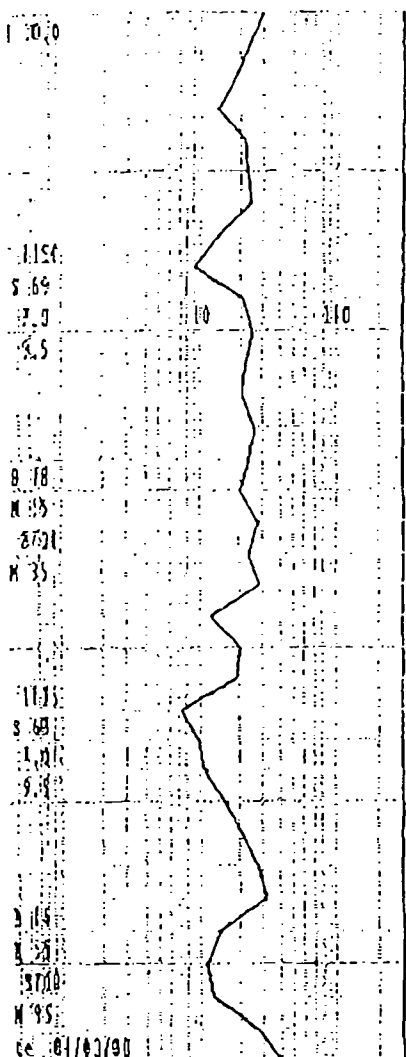
DOL-off wh-bl, lt gy, lt brn-dk brn gy
micxl-lxl, w hd-hd, sdy/slty, sl arg, nix mica
ool rhabs 1 to 3 msl por acc pyrbic intl,
tr di oi stn acc carb acc arg;

SH-lt grn gy-lt brn gy-dk brn gy blkgy-sb pily
w slt-w hd, sl slty, wxy ip, nix mica, sl
brt, shs acc pyr;

SS-off wh-lt gy-lt brn gy vl-l gr, sb ang-sb
rd, w srl, p-uncons, sil/si dol, lse qtz/dol
grs 3 to 12 intgr por acc pyrbic mls/dd ol
stn acc cht abnt pyr acc arg abnt qtz;



1350



1000

1150

1100

1050

1000

950

900

850

800

750

700

650

600

550

500

450

400

06/03/90

JAN-03-2001 11:32 AM

P. 01

DAILY COMPLETION / WORKOVER REPORT

WELL NAME: <u>PARA at al FT. LIARD .</u>	DATE: <u>JAN-3-01</u>	REPORT NO: <u>10</u>
LOCATION: <u>1-48</u>	CONTRACTOR: <u>PRECISION WELL SERVICE RIG # 642</u>	
TD (mKB): <u>2055.0</u> PBTD (mKB): <u>2043</u>	Csg Size (mm): <u>114.3</u>	AFE # <u>00N020008</u>
FORMATION: <u>MATTSON SAND .</u>	Perforations: <u>1635.0m. - 1645.0m.</u>	
PURPOSE: <u>COMPLETE AS A MATTSON SAND GAS WELL .</u>		
WELLHEAD PRESSURES @08:00 hrs: SITP: <u>0</u> kPa	SICP: <u>0</u> kPa	
CURRENT OPERATIONS @08:00 hrs: <u>WAIT ON ORDERS .</u>		

[illegible]

DAILY COST SUMMARY

Item	Amount	Item	Amount	Item	Amount
RIG	\$8,350.00	TESTERS	\$3,100.00	DAILY COST	\$15,521.00
SUPERVISION	\$800.00	SLICKLINE TRUCK	\$1,800.00	PREVIOUS	\$478,619.00
RENTALS	\$758.00	LOGGERS		COST TO DATE	\$494,140.00
CAMP	\$2,850.00	TOOLS & HAND		AFE AMOUNT	\$991,300.00
FIRST-AID	\$765.00				

RIG HOURS	10.6	MOBILE	1-403-881-3845	PREPARED BY	AL. IRONSIDE.
CUM RIG HRS.	71	AREA	FT. LIARD, N.W.T.	RECEIVED BY	WAYNE TOMM.

LOAD FLUID

Total Load Fluid:	Daily Recovery:	Recovered to Date:	Load to Recover:
Oil: 0.0 m ³	Oil: 0 m ³	Oil: 0 m ³	Oil: 0.0
Water: 79.6 m ³	Water: 0 m ³	Water: 38.4 m ³	Water: 41.2
			(+ new fluid)

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: Wilbert Callihoo

CELLULAR #: 780-940-8655

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D. 2100

DAILY COST: \$53,000

CUM. COST: \$1,245,500

DAILY MUD: \$1,350

CUM MUD: \$23,500

DAY: 21 REP DATE: 2/1/01 STATUS 08:00 Drill 222mm Hole @ 1852M
 DEPTH: 1829 PROG. 56 KB: 492.10 GL: 487.00 MACP: 3382
 SURVEYS: 1767 - 1.60 @ 3450 & 1796 - 2.10 @ 3460 & 1806 - 2.50 @ 3530

MUD TYPE: GEL CHEM WT: 1150 VISC: 62 WL: 6.5 FC 1 PH: 10
 ADDITIVES: 32 Sax Gel - 1 Sack Caustic - 2 Sax Ligco - 1 Sack Staflo

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
7	H96ZB	222mm	HUGHS	ATJ-588DX	3x17.5		56	17.25	RUN	18-25000	50-55

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-ZB	165	203	95	1.240	8800	80	44	28
CONT-EMSCO	D-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT & DOG SUB	222	73	0.44
MUDMTR-RMR-FLTSUB	172	64	10.56
2-MONEL DCS-LDGSUB	172	72	19.62
6-DCS&STAB	172	64	56.68
JARS&6-DCS	172	60	59.16
XO-SUB	164	72	0.46
40 HWDP & 1 137 DP	114	70&102	1673.70
KELLY	114	89	8.38
TOTAL			1829.00

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.50	CEMENT:	
SURVEY:	0.25	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	17.25	DST:	
DRILL OUT:		TRIP:	3.25
CIRCULATE:		L.D.D.S.:	
NIPPLE UP BOP:		REAM:	2.00
HANDLE TOOLS	0.75	FLOW CHECK	
BOP DRILL		DRILLLINE	

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCL2
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

Run in Hole with New Bit and New Dog Sub - Take Flow Checks on way in Hole and Pulse Test MWD Tool on way in Hole also - Break Circ at 1762M - Clean and Ream to Bottom @ 1773 - Drill Ahead Rest of Day - Had 1 - 2M Drilling Breaks along with Gas Shows at different Depths during Day and also overnight - Take Surveys with MWD Tool and Deviation is going out slowly - Pump Pressure is Increasing but may be due to Extra Mud Screen in Drill String - Was put in on Last Trlp in Hole - Drilling along O.K.
 Weather - Clear - Wind from North at 15 Km/h - Cold - Temp -22oC.

JAN-02-01 08:59 AM

Daily Geological Report**Paramount Resources Ltd.****Date: 2nd January 2001****Country: Canada****Well: Paramount et al Ft. Liard N-01**

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

Report No: DGR 10	Rig: Precision Rig #379	Province: N.W.T.	LSD: N-01-60-10-123-15
Spud Date: 12-Dec-00	Days from Spud: 20	K.B. 491.21m aMSL	G.L. 486.20m aMSL

Hole Size: 222mm	Casing: 244.5mm @501m	Bit Type: ATJ-588DX	Hours Drilling: 17.25
Mud Type: Gel-chem	Drill Mode: mud-motor	M.W.: 1150	Average ROP: 3.3m/hr
Vis: 62	pH: 10.0	F.L.: 6.5	Cl: -

24 Hour Operations Summary (00.00-24.00 hours)

RIH, ream from 1762-1773m, drill from 1773-1829m.			
Midnight Depth: 01-01-01	1829m MD:	-1337.8m TVDSS	Progress: 56m

Status at 0600 hours (2nd Jan.)

Depth m MD KB	(TVD SS)	Formation
1845m	-1353.8m	Mattson - M6 Zone
Present Operation: Drilling.		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		Hi/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Belloy	1368	-881.7	1309.3	-823.0			-58.7
Fantasque	1399	-912.7	1362.8	-876.5			-36.2
Kindle	1486?	-994.8	1490.2	-999.0			4.2?
Mattson	1511	-1019.8	1517.2	-1026.0			6.2
M1 Zone	1625	-1133.8	1626.2	-1135.0			1.2
M2 Zone	1641	-1149.8	1640.2	-1149.0			-0.8
M3 Zone	1703?	-1191.8	1702.2	-1211.0			-0.8
M4 Zone	1731	-1239.8	1726.2	-1235.0			-4.8
M5 Zone	1755	-1263.8	1751.2	-1260.0			-3.8
M6 Zone	1779?	-1287.8	1811.2	-1320.0			32.2?

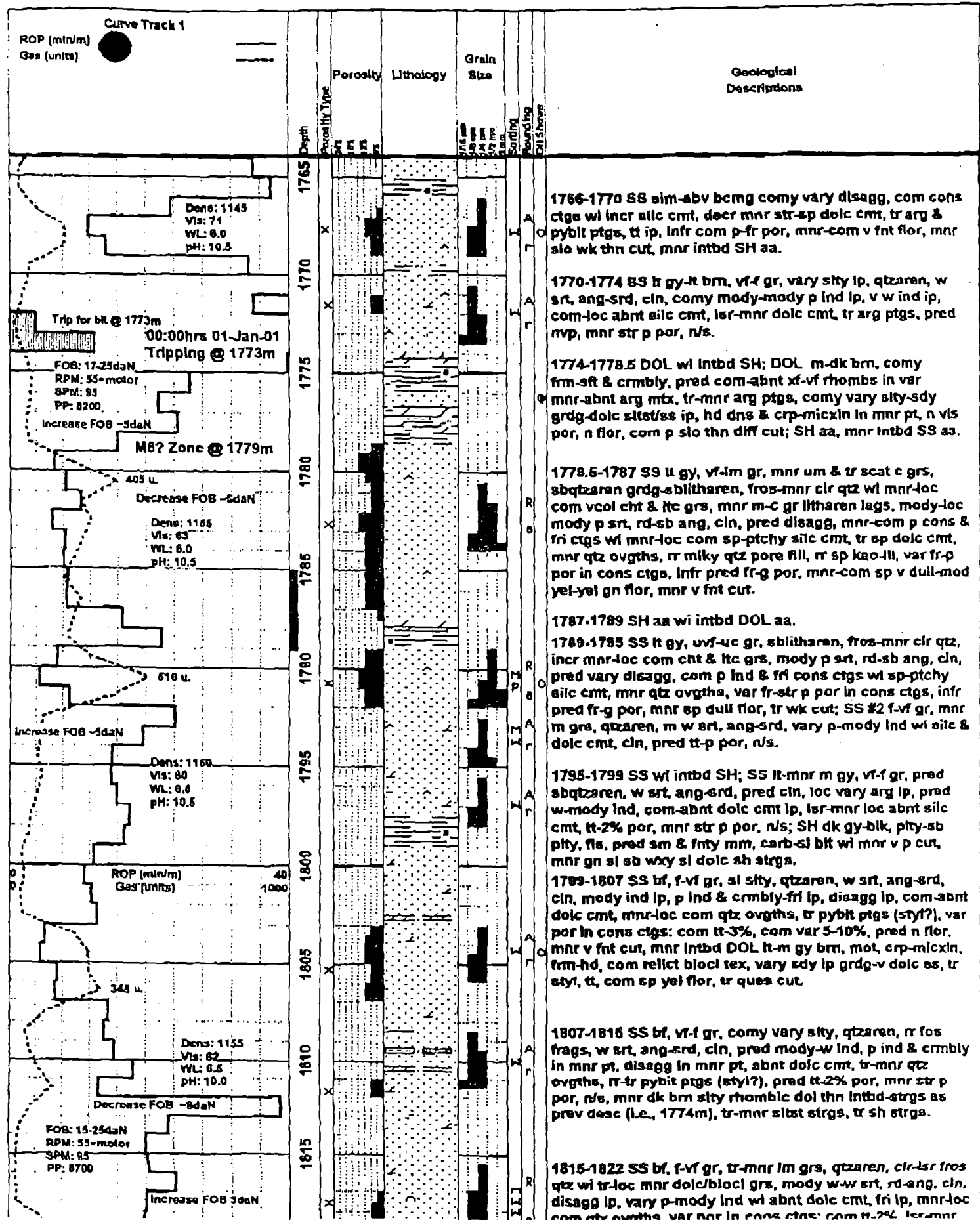
Next Operation (06:00 hours onwards): Drill ahead, trip for bit.**Remarks:**

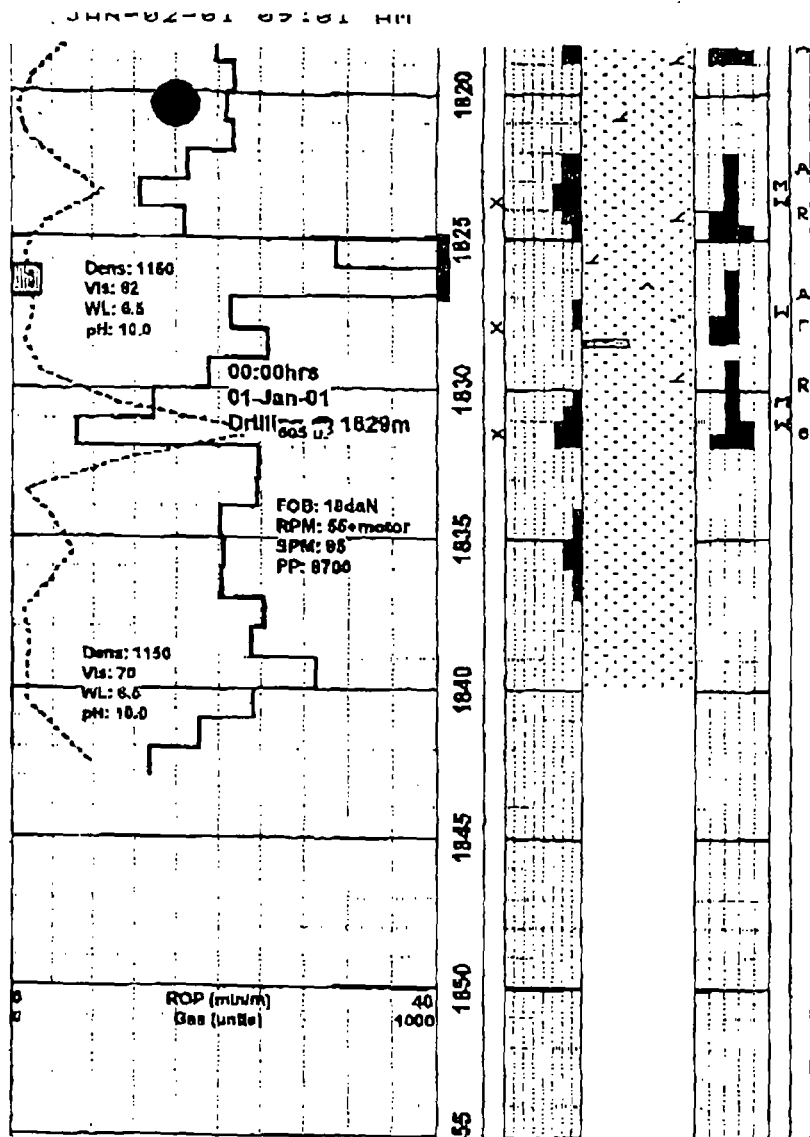
Good morning, Paul. The M6 Zone appears to come in @ ~1779 which is very high to prognosis (i.e., ~32m). This is a 14m thick eolian section with minor interbedded shale & dolomite. Porosity is inferred to be predominantly fair to good in this reservoir interval. There were two minor gas shows in the section. This section is underlain by a relatively thick succession of shoreface deposits with some eolian influence, dominated by abundant dolomitic cements. There are some relatively thin (i.e., 2-3m) reservoir-quality intervals with minor gas shows in this section. We will probably trip for a bit sometime later this morning or early this afternoon.

Regards

G. Johansson Wellsite Geologist

JAN-02-01 09:00 AM





var fr por, v fnt ques cut, v fnt v thn cut.

1822-1825 SS v alm-abv bcmg al cer & comy disagg, sbqtzaren w/ mnr dol/bloci grs, pred com-abnt dolc cmt, mnr silc cmt, p-mody ind, com tt-p por w/ mnr fr in cons cts, infr pred fr por, n flor, tr ques cut.

1825-1830 SS li gy-bf, vf-f gr, tr scat lm grs, qtzaren, sl slty, tr sltst strgs, w srt, ang-srd, cln, tr al ang, tr pybit ptgs, vary m p-w ind, abnt dolc cmt w/ lsr loc abnt silc cmt, pred tt-2% por, mnr p por, tr v dull flor, tr ques cut, tr ch cmt.

1830-1832 SS bf, pred f gr, mnr lm & lsr uvf grs, qtzaren, mody w srt, rd-sb ang, cln, comy disagg, mnr p cons & fri ctgs w/ sp dolc & silc cmt & pred fr por, infr pred fr-atr g por, n flor, tr fnt ques cut.

JMN-02-01 09:53 AM

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): WIBERT CALAHOO
GEOLOGIST(S): GARY JOHANNSON
ANALYST(S): JIM LOADER

REPORT NO.: 23
DATE: JAN 02, 2000
DEPTH @ REPORT: 1845 m
24HR. PROGRESS: 72 m
LAG (min) / SPM: 56 / 95

MUD PROPERTIES : DEN 1150 Kg/m³; VIS 68 sec/L; WL 6.0; PH 10.0
DRILLING PARAMETERS : RPM 55 / FOB 18 / PP 10800 / SPM 95

RIG STATUS AT 06:00 hrs: DRILLING AHEAD IN THE MATTSON FORMATION.

SUMMARY OF GASES

BACKGROUND GAS : 50 - 67 UNITS FROM 1773 m TO 1813 m
24 - 50 UNITS FROM 1813 m TO 1845 m

GAS PEAKS : 101 - 503 UNITS FROM 1779 m TO 1797 m
277 - 353 UNITS FROM 1804 m TO 1808 m
119 - 328 UNITS FROM 1819 m TO 1825 m
91 - 640 UNITS FROM 1830 m TO 1843 m

<u>PRODUCED GASES:</u>	TYPE	PEAK	/	BKGD	/	TIME PUMPS OFF	/	DEPTH
	RTG	130	/	24	/		/	1774 m
	CG	108	/	64	/	6min	/	1776 m

COMMENTS : DRILLING AHEAD.ABBREVIATIONS

CG - Connection Gas	RTG - Recycled Trip Gas
SG - Survey Gas	FCG - Flow Check Gas
TG - Trip Gas	WTG - Wiper Trip Gas
SDG - Shut Down Gas	DGP - Drilled Gas Peak

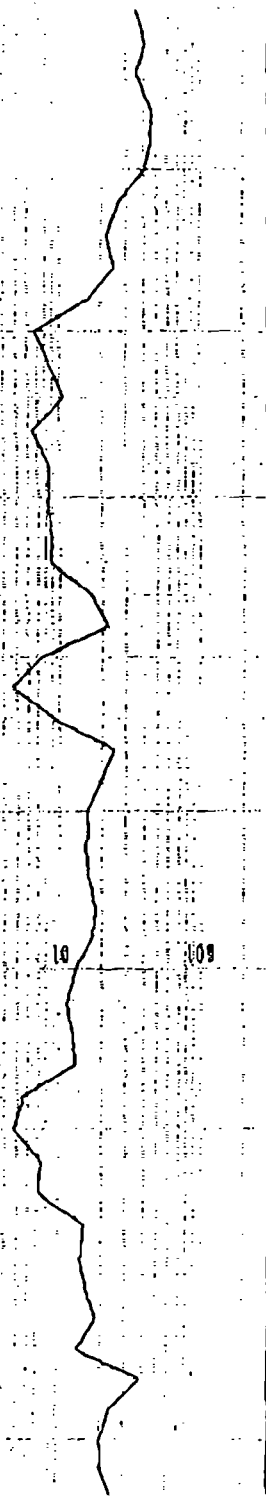
Date: 01/01/00
Blk 47
WESP 222nd
ATJ-5880X
6
WON 55
PP 8700
SPK 55

WT 1155
VIS 61
VE 6.0
PR 10.5

VT 1155
VIS 61
VE 6.0
PR 10.5

VOR 118
WON 55
PP 8700
SPK 55

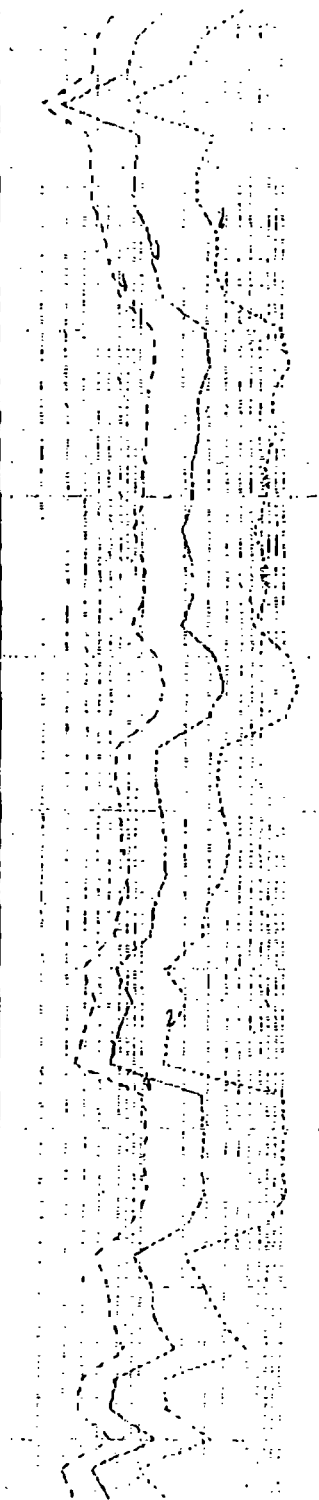
WT 1155
VIS 61
VE 6.0
PR 10.5



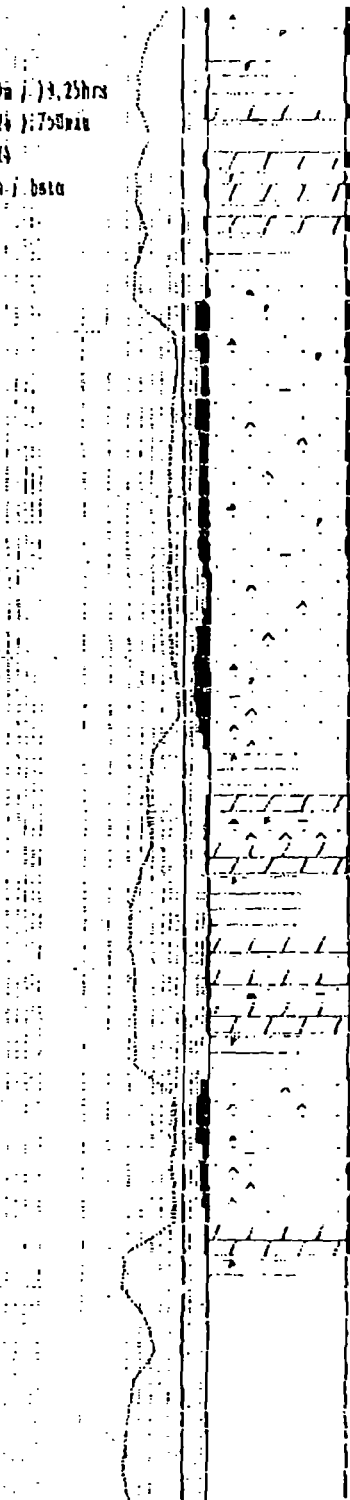
1775



1900



B.P. 46 55.0m / 179.25hrs
TG 11:0 / 24 / 1:750m
EKG 100 / 24
CG 108 / 64 / 1.0m



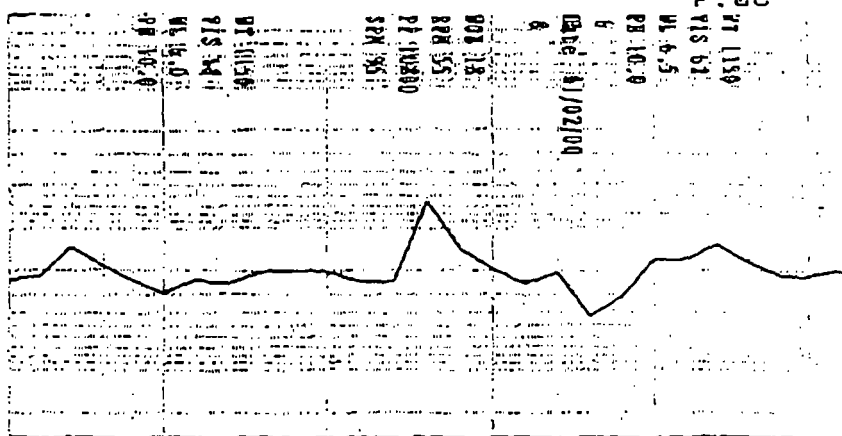
SS-off wh-bt-lt brn vi-f gr, sb ang-sb rd, v srt, p cans-uncons, sil/sil dol, lse p-c qtz
grs 1 to 3 inter por tr dl yel flor, sl grn
yel blm cut tr pyrobit mlls/dol chl oec ppr;

SS-wh-bt, lt brn-dk brn gy azexl-vlxl, m
hd-bd, say/sily, sl arg, mlt mica, dol rhabs
1 to 1 inter por ptehy dl yel flor, sl grn
yel blm cut tr pyrobit mll, tr dol sl stn;
SH-lt-ak gy-blt, lt grn sb biky-sb pty, m h
sl sily, wxy 17, mlt mica, sl bit, oec phos
pels oec ppr; SS-off wh-lt gy-lt brn gy vi-f
gr, sb ang-sb rd, v srt, uncons, p cans 17,
sl/sil dol, m h, qtz grs 1 to 12 inter por
ptehy dl yel flor, sl grn yel blm cut scat
pyrobit mlls/dol ol sca oec chl oec ppr oec
arg abot qtz;

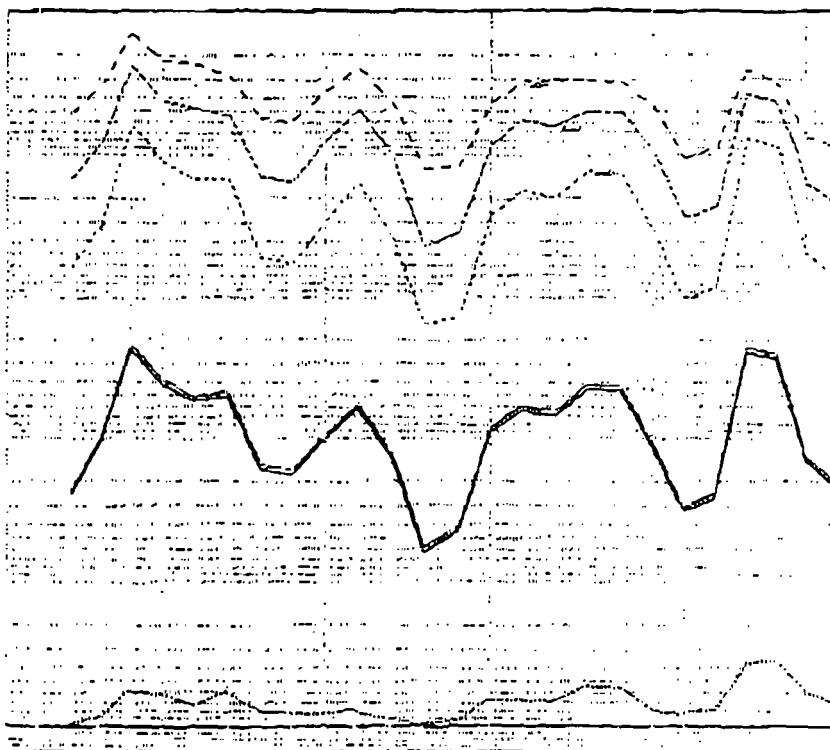
SS-off wh-lt gy-lt brn gy vi-f gr, oec c gr,
sb ang-sb rd, v srt, uncons, sil/sil dol, m h
qlz grs 6 to 12 inter por ptehy dl yel flor
sl grn yel blm cut scat pyrobit mlls/dol ol
sca oec chl oec ppr oec arg abot qtz;

SS-off wh-lt gy-lt brn gy vi-f gr, sb ang-sb
rd, v srt, p cans, sil/sil dol, m h, qtz grs
1 to 3 inter por tr dl yel flor, sl grn yel
blm cut tr pyrobit mlls/dol ol sca oec chl oec
ppr oec arg abot qtz; SS-wh-bt, lt brn-dk
brn gy azexl-vlxl, m hd-bd, say/sily, sl arg,
mlt mica, dol rhabs 1 to 3 inter por ptehy o
yel flor, sl grn yel blm cut tr pyrobit mll,
tr dol ol sca; SS-off wh-lt gy-lt brn gy vi-f
gr, sb ang-sb rd, v srt, uncons, sil/sil dol,
m h, qtz grs 1 to 12 inter por ptehy dl yel
flor, 7 sl grn yel blm cut tr pyrobit mlls/dol
ol sca oec chl oec arg abot qtz; SS-lt-dk
gy-blt, lt grn sb biky-sb pty, m h, sl srt
wxy 17, mlt mica, sl bit, oec phos pels oec

JAN-02-01 09:03 AM



1825



DEC-29-00 09:28 AM

P. 02

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARAMOUNT FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: CON010054 EST. T.D. 2100

DAILY COST:

CUM. COST:

DAILY MUD:

CUM MUD:

DAY: 17

REP DATE: 12/29/00

STATUS 08:00

DEPTH: 1643

PROG. 39

KB: 492.10

GL: 487.00

MACP: 3440

SURVEYS: Attached Sheet

MUD TYPE: GEL CHEM

WT: 1135

VISC: 64

WL: 7.8

FC: 1

PH: 10.5

ADDITIVES:

12.5% Barite - 12.5% Caustic - 12.5% Starch - 12.5% Bitter

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
4	E68ZY	222	HTC	ATJ-P88DC	3 X 17.5	1643	150	41	8-7-3	2500	55

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	85	1.240	8330	80	44	28
NATIONAL	DA-500	152	408						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
See Attached			
			518.35
KELLY			
			518.60
			TOTAL

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	2.25	CEMENT:	
SURVEY:	1.0	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	9.25	DST:	
DRILL OUT:		TRIP:	9.0
CIRCULATE:	2.25	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	
HANDLE TOOLS	2.50	FLOW CHECK	
BOP DRILL		Drill Hole	2.75

CASING SUMMARY

RAN	40 JTS OF	244.5 MM,	53.57 KG/M,	J-55	SURFACE CASING.
LANDED AT	500.75 MKB.	TOTAL LENGTH	501.24 METERS.		
CEMENTED WITH	27 TONNES 0.1:0 "G" W/1% CaCl2				
PLUG DOWN AT	18:32 HRS. ON	12/17/00	WITH	10.5 M3 CEMENT RETURNS.	

Drill Ahead 22mm Hole using Down Hole Mud Motor and MWD Tools w/ Rotary
 Had Penetration Rate of 5.65m/Hr - Drill to 1643m and Penetration Rate
 Slowed Down - Circ - Trip out for Bit - Replace Rollercon Reamers when out
 of Hole - Make up New Bit & Run in Hole - Since Motor Have Cleaned out
 to Bottom - Drilling Ahead @ 5m/Hr.
 Weather this AM - Overcast - Calm - Cool - 15°C

*** O-N-S-C-R-E-E-N ***
SURVEY CALCULATION REPORTPARAMOUNT RESOURCES LIMITED
PARA et al FORT LIARD
N-01

Section Calculated on 0.00				Calculation Method: Minimum Curvature				
#	Depth (m)	Angle	Azimuth	TVD (m)	N/S (m)	E/W (m)	Section (m)	DogLeg (/30)
48	1552.00	1.40	356.60	1551.82	-2.47	3.50	-2.47	0.90
49	1577.80	1.40	350.60	1577.61	-1.85	3.43	-1.85	0.17
50	1596.40	1.40	1.20	1596.21	-1.40	3.40	-1.40	0.42
51	1615.00	1.80	352.40	1614.80	-0.88	3.36	-0.88	0.76
52	1626.00	1.80	352.00	1625.79	-0.54	3.32	-0.54	0.05

Final Closure is 3.36 metres on an Azimuth of 99.24

DEC-29-00 09:14 AM

BOTTOM HOLE ASSEMBLY NO. 5

DENE DIRECTIONAL

COMPANY: PARAMOUNT RESOURCES LIMITED
WELL: PARA et al FORT LIARD
N-01-80-10-123-15

DECEMBER 28 2000

DEPTH IN 1643

SUPERVISION: G. PRIBOLYSKI

No.	Description	Connection	Serial #	OD	ID	FN	Item Length	Total Length
1	222MM BIT	4 1/2 REG	MG1562	222			0.25	.25
2	DOG SUB	4 1/2 REG	DS804	222			0.18	0.43
3	171MM MOTOR	5 1/8	67322	171	NA		7.87	8.30
4	222MM 3 PT REAMER	5 1/8	80031	171	58	0.93	1.90	10.20
5	165MM FLOAT SUB	5 1/8	65009	105	65		0.78	10.98
6	171MM LANDING SUB	5 1/8	75001	171	60		1.10	12.08
7	171MM NMDC	5 1/8	6237	171	71		9.37	21.45
8	171MM NMDC	5 1/8	56	160	71		9.10	30.61
9	220 MM ST. STAB	5 1/8	81	171	66	0.52	1.27	31.88
10	G.D.C.	5 1/8	RIG	171	60		55.40	87.28
11	HYDRO MECH LARS	5 1/8	67004	168	64	0.40	4.78	92.06
12	G.D.C.	5 1/8	RIG	171	60		54.89	146.95
13	N.O. SUB	4 1/2 X 1 1/2 X 3 1/2	RIG	104	72		0.46	147.41
14	40 HWDP	4 1/2 X 1 1/2	RIG	114	70		371.60	518.60

Motor Data		Bend Type & Setting		Serial #		RPM/Later		STAB	
Run	Manufacturer								
1	VECTOR	0-9.0 @ .78		67822		6 7 0.066079			
Bit Data		Type	JETS	Serial #		Size	Jar	Up	Down
Run	Manufacturer								
1	SMITH	EG700		AN17.5		222		36000	0
				MG1562				40	

Comments:

BHA Objective: HOLD VERTICAL.

FROM : RJS OILFIELD CONSULTING LTD

FAX NO. : 306 861 7897

Dec. 28 2000 09:22AM P1

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D 2100

DAILY COST:

\$38,129

CUM. COST:

\$1,017,366

DAILY MUD:

\$1,377

CUM MUD:

\$17,427

DAY: 16 REP DATE: 12/28/00 STATUS 08:00 DRILL 222 MM PROD. HOLE.

DEPTH: 1635 PROG. 95 KB: 492.10

GL: 487.00

MACP: 3415

SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.

MUD TYPE: GEL CHEM WT: 1140

VISC: 70

WL: 7.5

FC: 1

PH: 10.5

ADDITIVES: GEL 28 SXS, CAUSTIC 1 SXS, SAWDUST 4 SXS.

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
4	E68ZY	222	HTC	ATJ-P66DC	3 X 17.5	RUN	142	38.5	RUN	25	85

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	95	1.240	8330	80	44	28
NATIONAL	DA-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
			518.35
KELLY			
TOTAL			518.60

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCl₂
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TIME DISTRIBUTION

MOVE/RIG-UP RIG REP:
 DRILL MH & RH: LOGGING:
 RIG SERVICE: 0.50 CEMENT:
 SURVEY: 1.00 WOC:
 PRESSURE TEST: RUN CSG:
 DRILL: 22.50 DST:
 DRILL OUT: TRIP:
 CIRCULATE: L.D.D.S.:
 NIPPLE UP BOP: REAM:
 HANDLE TOOLS FLOW CHECK
 BOP DRILL

TOTAL HOURS: 24.00

0800-1545 DRILL 222 MM PRODUCTION HOLE W/DENE DIRECTIONAL ASSY F/1547-1581 M. 1545-1600
 ACCUMULATED SURVEYS AS REQUIRED. 1600-1615 RIG SERVICE/FUNCTION UPPER & LOWER PIPE RAMS.
 1615-2345 DRILL 1581-1604 M. 2345-2400 ACCUMULATED SURVEYS AS REQUIRED. 2400-0200 DRILL F/
 1604-1614 M. 0200-0215 RIG SERVICE/FUNCTION ANNULAR. 0215-0730 DRILL F/1614-1635 M. 0730-0800
 ACCUMULATED SURVEYS AS REQUIRED.
 NOTE: BIT #4 AVERAGE ROP 3.69 M/HR.

BHA: 222 MM BIT, DOG SUB, MTR @ 7/8 DEG SET, 222 3 PT REAMER, 165 MM FLT SUB, 171 MM LANDING
 SUB, 171 NMDC, 171 NMDC, 220 MM STRING STAB, 6 171 MM DC'S, HYDRO MECH JARS, 6 171 MM DC'S, X/O,
 40 114 MM HWDP F/ TOTAL LENGTH 518.60 M

WEATHER CLEAR/CALM -15 DEG.

DRILLING REPORT DAY 22

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 28 2000 08:23AM P2

12-28-2000

*** O-N-S-C-R-E-E-N ***
SURVEY CALCULATION REPORTPARAMOUNT RESOURCES LIMITED
PARA et al. FORT LIARD
V-01

Section Calculated on 0.00

Calculation Method: Minimum Curvature

#	Depth (m)	Angle	Azimuth	TVD (m)	N/S (m)	E/W (m)	Section (m)	DogLeg (/30)
47	1539.00	1.20	11.40	1538.82	-2.76	3.48	-2.76	0.67
48	1552.00	1.40	356.60	1551.82	-2.47	3.50	-2.47	0.90
49	1577.80	1.40	350.60	1577.61	-1.85	3.43	-1.85	0.17
50	1596.40	1.40	1.20	1596.21	-1.40	3.40	-1.40	0.42
51	1615.00	1.80	352.40	1614.80	-0.88	3.36	-0.88	0.76

Final Closure is 3.47 metres on an Azimuth of 104.68

..... **FAX**

PARAMOUNT RESOURCES LTD.

Bankers Hall West
4700, 888 Third Street SW
Calgary, Alberta
T2P 5C5

Drilling Department Fax Number: (403) 266-6032

PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME: CHRIS KNOECHEL

FAX NO.: 292-5876

FIRM: NATIONAL ENERGY BOARD

DATE: DECEMBER 28, 2000

FROM: ELAINE JOHNSON

TOTAL NUMBER OF PAGES 3 INCLUDING COVER PAGE.

DESCRIPTION OF DATA:

I-02
N-01
I-46

IF THERE ARE ANY PROBLEMS, PLEASE CALL (403) 290-3600.

.....

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 27 2000 07:57AM P1

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.K. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D 2100

DAILY COST:

\$736

CUM. COST:

\$16,050

DAILY MUD:

\$37,566

CUM MUD:

\$272,237

DAY: 15 REP DATE: 12/27/00 STATUS 08:00 DRILL 222 MM PROD. HOLE.

DEPTH: 1547 PROG. 54 KB: 492.10 GL: 487.00 MACP: 3440

SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.

MUD TYPE: GFI CHEM WT: 1135 VISC: 65 WL: 7.5 FC: 1 PH: 10.5

ADDITIVES: GEL 28 SXS, CAUSTIC 1 SXS, SAWDUST 4 SXS.

DIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WFIGHT	RPM
4	E68ZY	222	HTC	ATJ-P65DC	3 X 17.5	RUN	54	16	RUN	15	85

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	21K	35	1.740	8150	00	44	20
NATIONAL	DA-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
			518.35
KELLY			
TOTAL			518.60

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCl₂
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.50	CEMENT:	
SURVEY:	0.25	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	16.00	DST:	
DRILL OUT.		TRIP:	4.50
CIRCULATE:	0.50	L.D.O.S.:	
NIPPLE UP BOP:		REAM:	1.50
HANDLE TOOLS		FLOW CHECK	0.50
BOP DRILL	0.25		
TOTAL HOURS:	24.00		

0900-0915 RIH W/BIT #4 TO 270 M. 0915-0930 PULSE TEST MWD. 0930-1100 RIH W/BIT #4 F/270-720 M. 1100-1115 PULSE TEST MWD. 1115-1300 RIH W/BIT #4 F/720-1473 M. 1300-1430 BREAK CIRC & REAM UNDERGAUGE 110LE F/1473-1403 M (BTM). 1430-1600 DRILL 222 MM PRODUCTION HOLE W/DENE DIRECTIONAL ASSY F/1493-1501 M KB. 1600-1615 RIG SERVICE/FUNCTION UPPER & LOWER PIPE RAMS. 1615-2000 DRILL F/1501-1511 M. 2000-2015 BOP DRILL. 2015-2100 DRILL F/1511-1514 M. 2100-2130 FLOW CHECK. 2130-0115 DRILL F/1514-1529 M. 0115-0130 RIG SERVICE/FUNCTION ANNULAR. 0130-0745 DRILL F/1529-1547 M. 0745-0800 ACCUMULATED SURVEYS AS REQUIRED.

BHA: 222 MM BIT, DOG SUB, MTR @ 7/8 DEG 3CT, 222 3 FT REAMER, 166 MM FLT SUB, 171 MM LANDING SUB, 171 NMDC, 171 NMDC, 220 MM STRING STAB, 6 171 MM DC'S, HYDRO MECH JARS, 6 171 MM DC'S, X/O, 40 114 MM HWDP F/ TOTAL LENGTH 518.60 M

WEATHER CLEAR/CALM -15 DEG.

DRILLING REPORT DAY 21

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" WCONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. out-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): RICK SMITH
GEOLOGIST(S):
ANALYST(S): JIM LOADERREPORT NO.: 17
DATE: DEC 27, 2000
DEPTH @ REPORT: 1543 m
24HR. PROGRESS: 50 m
LAG (min)/ SPM: 46 / 95-----
MUD PROPERTIES : DEN 1135 Kg/m³; VIS 65 sec/L; WL 7.5; pH 10.5
DRILLING PARAMETERS : RPM 55; FOB 14; PP 7600 ; SPM 95

RIG STATUS AT 06:00 hrs: DRILLING AHEAD IN THE MATTSON FORMATION

SUMMARY OF GASESBACKGROUND GAS : 15 - 22 UNITS FROM 1485 m TO 1540 m
60 - 100 UNITS FROM 1540 m TO 1543 mGAS PEAKS : 184 - 540 UNITS FROM 1505 m TO 1512 m
1752 - 2236 UNITS FROM 1512 m TO 1516 m
108 - 590 UNITS FROM 1516 m TO 1540 m

<u>PRODUCED GASES:</u>	TYPE	PEAK	/	BKGD	/	TIME PUMPS OFF	/	DEPTH
	TG	167	/	10	/	840 min	/	1493 m
	RTG	41	/	10	/	81 min TCT	/	1494 m

COMMENTS : TRIP FOR BIT, REAM TO BOTTOM, DRILL AHEAD.ABBREVIATIONS

CG - Connection Gas	RTG - Recycled Trip Gas
BG - Survey Gas	FCG - Flow Check Gas
TG - Trip Gas	WTG - Wiper Trip Gas
SDG - Shut Down Gas	DGP - Drilled Gas Peak

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 26 2000 12:17PM P1

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et AI FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D 2100

DAILY COST: \$59,549

CUM. COST: \$941,671

DAILY MUD: \$1,959

CUM MUD: \$15,314

DAY: 14 REP DATE: 12/26/00 STATUS 08:00 CHANGE OUT BITS/SERVICE MWD
 DEPTH: 1493 PROG. 50 KB: 492.10 GL: 487.00 MACP: 3514
 SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.

MUD TYPE: GEL CHEM WT: 1120 VISC: 64 WL: 9 FC: 1.2 PH: 10
 ADDITIVES: GEL 10 SXS. CAUSTIC 1 SXS.

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
3	149558	222	VAREL	ETD55D-ER	3 X 17.5	RUN	39	8.25	8-8-14	14	85
4	E68ZY	222	HTC	ATJP66DC	3 X 17.5						

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	95	1.240	7560	80	44	28
NATIONAL	DA-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
			518.35
KELLY			
TOTAL			518.60

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCl2
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.25	CEMENT:	
SURVEY:	0.50	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	13.50	DST:	
DRILL OUT:		TRIP:	6.00
CIRCULATE:	1.00	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	
HANDLE TOOLS	2.50		
BOP DRILL	0.25		
TOTAL HOURS:	24.00		

0800-1600 DRILL 222 MM PRODUCTION HOLE W/DENE DIRECTIONAL ASSY F/1443-1480. 1600-1615 RIG SERVICE/FUNCTION HCR. 1615-1630 BOP DRILL. 1630-2200 DRILL F/1480-1493 M. 2200-2300 CIRCULATE BTMS UP. 2300-2330 ACCUMULATED SURVEYS AS REQUIRED. 2330-0530 POOH BIT #3. 0530-0800 INSPECT BHA (MWD-CHANGE OUT 3 PNT REAMER-CHANGE OUT DOG SUB & BIT).

BHA: 222 MM BIT, DOG SUB, MTR @ 7/8 DEG SET, 222 3 PT REAMER, 165 MM FLT SUB, 171 MM LANDING SUB, 171 NMDC, 171 NMDC, 220 MM STRING STAB, 6 171 MM DC'S, HYDRO MECH JARS, 6 171 MM DC'S, X/O, 40 114 MM HWDP F/ TOTAL LENGTH 518.60 M
 NOTE: BIT #3 COND 5-8-LT-H-8-14-FC-PR
 WEATHER CLEAR/CALM -18 DEG.

DRILLING REPORT DAY 13 (2)

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 26 2000 12:18PM P2

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D. 2100

DAILY COST: \$52,169

CUM. COST: \$882,122

DAILY MUD: \$767

CUM MUD: \$13,355

DAY: 13 REP DATE: 12/25/00 STATUS 08:00 DRILG 222 MM HOLE @ 1443 M K.B.

DEPTH: 1443 PROG. 39 KB: 492.10 GL: 487.00 MACP: 3489

SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.

MUD TYPE: GEL CHEM WT: 1125 VISC: 59 WL: 10 FC: 1.2 PH: 10.5

ADDITIVES: GEL 10 SXS, CAUSTIC 1 SXS.

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
2	162685	222	VAREL	ETD34XG	3X15.9	1404	418	52	8-8-14	12-18	90
3	149558	222	VAREL	ETD55D-ER	3X17.5	RUN	39	8.25	RUN	14	85

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	95	1.240	7560	80	44	28
NATIONAL	DA-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
			518.35
KELLY			
TOTAL			518.60

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.50	CEMENT:	
SURVEY:	0.50	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	8.25	DST:	
DRILL OUT:		TRIP:	9.25
CIRCULATE:	2.00	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	1.00
HANDLE TOOLS	2.50		

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCl₂
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TOTAL HOURS: 24.00

0800-1100 POOH BIT #2. 1100-1330 CHANGE OUT MUD MOTOR, MWD PACK COMPLETE-ORIENT SAME & CHANGE OUT BIT. 1330-2045 RIH-PULSE TEST MWD AS REQUIRED. 2045-2145 CLEAN & REAM F/1340-1404 M (BTM). 2145-2245 CIRC HOLE CLEAN (TOP HOLE SHALE RETURNS F/1 HR-RAISE VIS). 2245-2300 RIG SERVICE/FUNCTION ANNULAR. 2300-2345 DRILL 222 MM PRODUCTION HOLE W/DENE DIRECTIONAL MTR ASSY F/1404-1409 M K.B. 2345-2400 ACCUMULATED SURVEYS AS REQUIRED. 2400-0500 DRILL F/1409-1434 M. 0500-0545 RIG SERVICE. 0545-0745 DRILL F/1434-1443 M. 0745-0800 ACCUMULATED SURVEYS AS REQUIRED.

BHA: 222 MM BIT, DOG SUB, MTR @ 7/8 DEG SET, 222 3 PT REAMER, 165 MM FLT SUB, 171 MM LANDING SUB, 171 NMDC, 171 NMDC, 220 MM STRING STAB, 6 171 MM DC'S, HYDRO MECH JARS, 6 171 MM DC'S, X/O, 40 114 MM HWDP F/ TOTAL LENGTH 518.60 M

NOTE: BIT #2 COND 5-8-LT-H-8-14-FC-PR

WEATHER OVERCAST/CALM -16 DEG.

DRILLING REPORT DAY 46

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 26 2000 12:19PM P3

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE LD. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D. 2100

DAILY COST: \$61,372

CUM. COST: \$829,953

DAILY MUD: \$287

CUM MUD: \$12,589

DAY: 12 REP DATE: 12/24/00 STATUS 08:00 POOH BIT #2

DEPTH: 1404 PROC. 103 KB: 492.10 GL: 487.00 MACP: 3465

SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.

MUD TYPE: GEL CHEM WT: 1130 VISC: 57 WL: 9.5 FC: 1.5 PH: 10.5

ADDITIVES: GEL 10 SXS, CAUSTIC 1 SXS.

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
2	162685	222	VAREL	ETD34XG	3 X 15.9	1404	418	52	RUN	12-18	90

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203						
NATIONAL	DA-500	152	406	49	1.215	10200	75	44	35

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
			518.80
KELLY			
TOTAL			519.05

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.50	CEMENT:	
SURVEY:	1.75	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	18.00	DST:	
DRILL OUT:		TRIP:	2.00
CIRCULATE:	0.75	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	
WORK ON MUD PUMP	1.00		

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCL₂
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

0800-0815 RIG SERVICE/FUNCTION UPPER & LOWER PIPE RAMS. 0815-0915 WORK ON MUD PUMPS. 0915-1530 DRILL 222 MM PRODUCTION HOLE F/1301-1340 M. 1530-1600 ACCUMULATED SURVEYS AS REQUIRED. 1600-2200 DRILL F/1340-1368 M. 2200-2215 RIG SERVICE. 2215-2315 DRILL F/1368-1378 M. 2315-2400 ACCUMULATED SURVEYS AS REQUIRED. 2400-0445 DRILL F/1378-1404 M. 0445-0515 ACCUMULATED SURVEYS AS REQUIRED. 0515-0600 CIRCULATE BTMS UP. 0600-0800 POOH BIT #2 W/ WELL FLOW CHECKS AS REQUIRED.

BHA: 222 MM BIT, DOG SUB, MTR @ 7/8 DEG SET, 222 3 PT REAMER, 165 MM FLT SUB, 171 MM LANDING SUB, 171 NMDC, 171 NMDC, 220 MM STRING STAB, 6 171 MM DC'S, HYDRO MECH JARS, 6 171 MM DC'S, X/O, 40 114 MM HWDP F/ TOTAL LENGTH 519.05 M

TRUCKING FOR LITE PLANT F/COYOTE, TRUCKING F/RETURN 203 MM DIRECTIONAL TOOLS, TRUCKING FOR ADDITIONAL WEIGHT MATERIAL & PROPANE FUEL COSTS IN DAILY R&R

WEATHER CLEAR/CALM -15 DEG.

DRILLING REPORT DAY 10

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 26 2000 12:20PM P4

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.D 2100

DAILY COST: \$1,900

CUM. COST: \$12,302

DAILY MUD: \$79,655

CUM MUD: \$768,581

DAY: 11 REP DATE: 12/23/00 STATUS 08:00 DRILLG 222 MM HOLE @ 1301 M.
 DEPTH: 1301 PROG. 200 KB: 492.10 GL: 487.00 MACP: 3563
 SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.

MUD TYPE: GEL CHEM WT: 1110 VISC: 53 WL: 9 FC: 1.5 PH: 10
 ADDITIVES:

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
2	162685	222	VAREL	ETD34XG	3 X 15.9	RUN	316	34	RUN	16	80

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	110	1.436	9960	92	51	40
NATIONAL	DA-600	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
			518.80
KELLY			
TOTAL			519.05

TIME DISTRIBUTION

MOVE/RIG-UP: RIG REP:
 DRILL MH & RH: LOGGING:
 RIG SERVICE: 0.75 CEMENT:
 SURVEY: 2.75 WOC:
 PRESSURE TEST: RUN CSG:
 DRILL: 20.50 DST:
 DRILL OUT: TRIP:
 CIRCULATE: L.D.D.S.:
 NIPPLE UP BOP: REAM:

CASING SUMMARY

TOTAL HOURS: 24.00
 RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCl₂
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

0800-1500 DRILL 222 MM PRODUCTION HOLE W/MTR ASSY F/1101-1168 M. 1500-1545 ACCUMULATED SURVEYS AS REQUIRED. 1545-1600 RIG SERVICE/FUNCTION UPPER & LOWER PIPE RAMS. 1600-2215 DRILL F/1168-1234 M. 2215-2230 RIG SERVICE/FUNCTION ANNULAR. 2230-2300 DRILL F/1234-1244 M. 2300-2400 ACCUMULATED SURVEYS AS REQUIRED. 2400-0400 DRILL F/1244-1272 M. 0400-0415 RIG SERVICE/FUNCTION ANNULAR. 0415-0700 DRILL F/1272-1301 M. 0700-0800 ACCUMULATED SURVEYS AS REQUIRED.

BHA: 222 MM BIT, DOG SUB, MTR @ 7/8 DEG SET, 222 3 PT REAMER, 165 MM FLT SUB, 171 MM LANDING SUB, 171 NMDC, 171 NMDC, 220 MM STRING STAB, 6 171 MM DC'S, HYDRO MECH JARS, 6 171 MM DC'S, X/O, 40 114 MM HWDP F/ TOTAL LENGTH 519.05 M

WEATHER CALM/OVERCAST -18 DEG C.

DRILLING REPORT DAY 17

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 26 2000 12:21PM PS

12-20-0000

*** O-N-S-C-R-E-E-N ***
SURVEY CALCULATION REPORT

PARAMOUNT RESOURCES LIMITED

PARA et al FORT LIARD

N-01

Section Calculated on 0.00

Calculation Method: Minimum Curvature

#	Depth (m)	Angle	Azimuth	TVD (m)	N/S (m)	E/W (m)	Section (m)	DogLeg (/30)
40	1385.00	0.70	215.30	1384.85	-4.46	1.79	-4.46	0.27
41	1425.90	0.50	14.50	1425.75	-4.49	1.69	-4.49	0.87
42	1454.70	1.90	57.80	1454.55	-4.11	2.13	-4.11	1.64
43	1464.30	1.80	55.70	1464.14	-3.94	2.39	-3.94	0.38
44	1473.90	1.40	54.60	1473.74	-3.79	2.61	-3.79	1.25

Final Closure is 4.60 metres on an Azimuth of 145.45

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 261 7897

Dec. 26 2000 12:22PM P6

12-24-2000

*** O-N-S-C-R-E-E-N ***
SURVEY CALCULATION REPORT

PARAMOUNT RESOURCES LIMITED
PARA et al FORT LIARD
N-01

Section Calculated on 0.00

Calculation Method: Minimum Curvature

#	Depth (m)	Angle	Azimuth	TVD (m)	N/S (m)	E/W (m)	Section (m)	DogLeg (/30)
0	501.00	0.00	0.00	501.00	0.00	0.00	0.00	0.00
1	512.30	1.10	274.70	512.30	0.01	-0.11	0.01	2.92
2	521.80	1.20	276.80	521.80	0.03	-0.30	0.03	0.35
3	531.30	1.10	270.50	531.30	0.04	-0.49	0.04	0.51
4	540.80	1.10	261.30	540.79	0.03	-0.67	0.03	0.56
5	569.40	0.70	278.20	569.39	0.01	-1.11	0.01	0.50
6	597.90	0.50	306.70	597.89	0.11	-1.39	0.11	0.37
7	627.50	0.50	304.90	627.49	0.26	-1.59	0.26	0.02
8	655.10	0.90	295.80	655.09	0.42	-1.89	0.42	0.45
9	664.60	0.70	300.00	664.58	0.49	-2.01	0.49	0.66
10	702.70	0.50	353.10	702.68	0.77	-2.23	0.77	0.45
11	731.30	1.90	90.80	731.28	0.88	-1.77	0.88	2.13
12	750.30	2.10	92.60	750.27	0.86	-1.11	0.86	0.33
13	759.80	2.10	91.10	759.76	0.85	-0.76	0.85	0.18
14	769.40	1.80	91.20	769.35	0.85	-0.43	0.85	0.94
15	797.90	1.60	86.90	797.84	0.86	0.41	0.86	0.25
16	807.40	1.60	85.50	807.34	0.88	0.68	0.88	0.12
17	836.00	1.40	90.50	835.93	0.90	1.43	0.90	0.25
18	864.60	1.40	100.70	864.52	0.84	2.12	0.84	0.26
19	893.10	1.40	119.60	893.01	0.60	2.76	0.60	0.48
20	902.60	1.20	129.60	902.51	0.48	2.94	0.48	0.95
21	921.70	1.60	142.10	921.60	0.14	3.26	0.14	0.79
22	931.20	1.80	147.40	931.10	-0.09	3.42	-0.09	0.80
23	950.20	1.60	160.40	950.09	-0.59	3.67	-0.59	0.68
24	959.70	1.60	162.50	959.59	-0.84	3.75	-0.84	0.18
25	969.10	1.20	179.10	968.98	-1.07	3.80	-1.07	1.81
26	980.10	1.20	206.50	979.98	-1.28	3.75	-1.28	1.55
27	989.60	1.10	210.70	989.48	-1.45	3.65	-1.45	0.41
28	999.10	1.10	227.60	998.98	-1.59	3.54	-1.59	1.02
29	1027.70	0.70	217.40	1027.57	-1.91	3.23	-1.91	0.45
30	1046.70	0.70	250.40	1046.57	-2.05	3.05	-2.05	0.63
31	1074.70	0.50	247.30	1074.57	-2.15	2.78	-2.15	0.22
32	1103.20	0.50	260.60	1103.07	-2.22	2.54	-2.22	0.12
33	1135.40	0.90	283.50	1135.27	-2.18	2.16	-2.18	0.45
34	1159.60	0.30	213.50	1159.47	-2.19	1.94	-2.19	1.05
35	1188.10	0.30	173.10	1187.97	-2.33	1.90	-2.33	0.22
36	1235.90	0.50	182.20	1235.76	-2.66	1.91	-2.66	0.13
37	1274.10	0.70	168.90	1273.96	-3.06	1.95	-3.06	0.19
38	1307.30	0.70	165.30	1307.16	-3.45	2.04	-3.45	0.04
39	1349.80	0.90	198.00	1349.66	-4.02	2.00	-4.02	0.35

Final Closure is 4.49 metres on an Azimuth of 153.55

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 26 2000 12:22PM P7

BOTTOM HOLE ASSEMBLY NO. 3

DENE
DIRECTIONALCOMPANY: PARAMOUNT RESOURCES LIMITED
WELL: PARA et al FORT LIARD
N-01-60-10-123-15

DEPTH IN 1404

DECEMBER 24 2000

SUPERVISION: G. PRIBOLYSKI

No.	Description	Connection	Serial #	OD	ID	FN	Item Length	Total Length
1	222MM BIT	4 1/2 REG	149558	222			0.25	25
2	DOG SUB	4 1/2 REG	D00057	222			0.18	0.43
3	171MM MOTOR	5 H90	67322	171	NA		7.87	8.30
4	222MM 7 FT REAMER	5 H100	80042	171	58	0.92	1.90	10.20
5	165MM FLOAT SUB	5 H90	65009	165	65		0.78	10.98
6	171MM LANDING SUB	5 H90	75001	171	66		1.10	12.08
7	171MM NMDC	5 H90	6287	171	71		9.37	21.45
8	171MM NMDC	5 H90	56	160	71		9.10	30.61
9	220 MM ST. STAB	5 H90	81	171	66	0.52	1.27	31.88
10	6 D.C.	5 H90	RIG	171	60		55.60	87.28
11	HYDRO MECH JARS	5 H90	67064	168	64	0.45	4.78	92.06
12	6 D.C.	5 H90	RIG	171	60		54.89	146.45
13	N.O. SUB	4 1/2 NH X 5 H90	RIG	164	72		0.40	146.91
14	MC HWDF	4 1/2 NH	RIG	114	70		371.69	513.60

Motor Data

Run	Manufacturer	Bend Type & Setting	Serial #	Loke	RPM/iter	STAB
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1	VECTON	0.000 78	67322	6 7	0.065079	
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Bit Data

Run	Manufacturer	Type	JETS	Serial #	Size	Jar Up	Jar Down	36000
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1	VAREL	ETD55DGR	3X17.3	149558	222			40
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Comments:

BHA Objective: HOLD VERTICAL

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 23 2000 12:10PM P1

PARAMOUNT RESOURCES LTD.**DAILY DRILLING REPORT****PARA Et Al FORT LIARD****UNIQUE I.D. EL 381****LOCATION:****N-01****WELL LICENCE****WID 1902****SUPERVISOR:** R SMITH (306) 861-7897**CELLULAR #:** (306) 577-7531**SPUD DATE:** 12/12/00**R.R. DATE:****CONTRACTOR:** PRECISION #379**A.F.E. #:** 00N010054 EST. T.D 2100**DAILY COST:**

\$1,900

CUM. COST:

\$12,302

DAILY MUD:

\$79,655

CUM MUD:

\$768,581

DAY: 11 **REP DATE:** 12/23/00 **STATUS 08:00 DRILG 222 MM HOLE @ 1301 M.**
DEPTH: 1301 **PROG. 200** **KB:** 492.10 **GL:** 487.00 **MACP:** 3563
SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.

MUD TYPE: GEL CHEM **WT:** 1110 **VISC:** 53 **WL:** 9 **FC:** 1.5 **PH:** 10
ADDITIVES:

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
2	162885	222	VAREL	ETD34XG	3 x 15.9	RUN	315	34	RUN	16	80

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-Z8	165	203	110	1.243	9960	75	44	35
NATIONAL	DA-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT			0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
			518.80
KELLY			
TOTAL			519.05

TIME DISTRIBUTION

MOVE/RIG-UP **RIG REP:**
DRILL MH & RH: **LOGGING:**
RIG SERVICE: 0.75 **CEMENT:**
SURVEY: 2.75 **WOC:**
PRESSURE TEST: **RUN CSG:**
DRILL: 20.50 **DST:**
DRILL OUT: **TRIP:**
CIRCULATE: **L.D.D.S.:**
NIPPLE UP BOP: **REAM:**

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 **SURFACE CASING.**
LANDED AT 500.75 MKB. **TOTAL LENGTH** 501.24 METERS.
CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCL2
PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TOTAL HOURS: 24.00

0800-1500 DRILL 222 MM PRODUCTION HOLE W/MTR ASSY F/1101-1168 M. 1500-1545 ACCUMULATED SURVEYS AS REQUIRED. 1545-1600 RIG SERVICE/FUNCTION UPPER & LOWER PIPE RAMS. 1600-2215 DRILL F/1168-1234 M. 2215-2230 RIG SERVICE/FUNCTION ANNULAR. 2230-2300 DRILL F/1234-1244 M. 2300-2400 ACCUMULATED SURVEYS AS REQUIRED. 2400-0400 DRILL F/1244-1272 M. 0400-0415 RIG SERVICE/FUNCTION ANNULAR. 0415-0700 DRILL F/1272-1301 M. 0700-0800 ACCUMULATED SURVEYS AS REQUIRED.

BHA: 222 MM BIT, DOG SUB, MTR @ 7/8 DEG SET, 222 3 PT REAMER, 165 MM FLT SUB, 171 MM LANDING SUB, 171 NMDC, 171 NMDC, 220 MM STRING STAB, 6 171 MM DC'S, HYDRO MECH JARS, 6 171 MM DC'S, X/O, 40 114 MM HWDP F/ TOTAL LENGTH 519.05 M

WEATHER CALM/OVERCAST -18 DEG C.

DRILLING REPORT DAY 17

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 23 2000 12:11PM P2

BOTTOM HOLE ASSEMBLY NO. 2

DENE
DIRECTIONALCOMPANY:PARAMOUNT RESOURCES LIMITED
WELL: PARA et al FORT LIARD
N-01-60-10-123-15

DEPTH IN 986

DECEMBER 21 2000

SUPERVISION: G. PRIBOLYSKI

No.	Description	Connection	Serial #	OD	ID	FN	Item Length	Total Length
1	222MM BIT	4 1/2 REG	162685	222			0.25	25
2	DOC SUB	4 1/2 REG	D00057	222			0.18	0.43
3	171MM MOTOR	5 H90	67427	171	NA		8.29	8.72
4	222MM 3 PT REAMER	5 H90	80032	171	58	0.93	1.80	10.62
5	165MM FLOAT SUB	5 H90	55009	165	65		0.78	11.40
6	171MM LANDING SUB	5 H90	75001	171	66		1.10	12.50
7	171MM NMDC	5 H90	G237	171	71		9.37	21.87
8	171MM NMDC	5 H90	56	166	71		9.16	31.03
9	220 MM ST. STAB	5 H90	81	171	66	0.52	1.27	32.30
10	6 D.C.	5 H90	RIG	171	66		55.40	87.70
11	HYDRO MECH. JARS	5 H90	67064	168	64	0.49	1.78	92.48
12	6 D.C.	5 H90	RIG	171	66		51.39	146.87
13	S.O. SUB	4 1/2 XH X 5 H90	RIG	164	72		0.49	147.36
14	40 HWDP	4 1/2 XH	RIG	114	70		371.69	519.05

Motor Data						
Run	Manufacturer	Brand Type & Setting	Serial #	Lobe	RPM/Liner	STAB
1	VECTOR	0-3.0 78	67427	6 7	0.066079	
Bit Data						
Run	Manufacturer	Type	Serial #	Size	Jar Up	36000
1	VAREL	EDT34NG 3N15.0	162685	222	Down	0
						40

Comments:

RHA Objective: HOLD VERTICAL

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 23 2000 12:12PM P3

12-23-2000

*** O-N-S-C-R-E-E-N ***
SURVEY CALCULATION REPORT

PARAMOUNT RESOURCES LIMITED
PARA et al FORT LIARD
N-01

Section Calculated on 0.00

Calculation Method: Minimum Curvature

#	Depth (m)	Angle	Azimuth	TVD (m)	N/S (m)	E/W (m)	Section (m)	DogLeg (/30)
0	501.00	0.00	0.00	501.00	0.00	0.00	0.00	0.00
1	512.30	1.10	274.70	512.30	0.01	-0.11	0.01	2.92
2	521.80	1.20	276.80	521.80	0.03	-0.30	0.03	0.35
3	531.30	1.10	270.50	531.30	0.04	-0.49	0.04	0.51
4	540.80	1.10	261.30	540.79	0.03	-0.67	0.03	0.56
5	569.40	0.70	278.20	569.39	0.01	-1.11	0.01	0.50
6	597.90	0.50	306.70	597.89	0.11	-1.39	0.11	0.37
7	627.50	0.50	304.90	627.49	0.26	-1.59	0.26	0.02
8	655.10	0.90	295.80	655.09	0.42	-1.89	0.42	0.45
9	664.60	0.70	300.00	664.58	0.49	-2.01	0.49	0.66
10	702.70	0.50	353.10	702.68	0.77	-2.23	0.77	0.45
11	731.30	1.90	90.80	731.28	0.88	-1.77	0.88	2.13
12	750.30	2.10	92.60	750.27	0.86	-1.11	0.86	0.33
13	759.80	2.10	91.10	759.76	0.85	-0.76	0.85	0.18
14	769.40	1.80	91.20	769.35	0.85	-0.43	0.85	0.94
15	797.90	1.60	86.90	797.84	0.86	0.41	0.86	0.25
16	807.40	1.60	85.50	807.34	0.88	0.68	0.88	0.12
17	836.00	1.40	90.50	835.93	0.90	1.43	0.90	0.25
18	864.60	1.40	100.70	864.52	0.84	2.12	0.84	0.26
19	893.10	1.40	119.60	893.01	0.60	2.76	0.60	0.48
20	902.60	1.20	129.60	902.51	0.48	2.94	0.48	0.95
21	921.70	1.60	142.10	921.60	0.14	3.26	0.14	0.79
22	931.20	1.80	147.40	931.10	-0.09	3.42	-0.09	0.80
23	950.20	1.60	160.40	950.09	-0.59	3.67	-0.59	0.68
24	959.70	1.60	162.50	959.59	-0.84	3.75	-0.84	0.18
25	969.10	1.20	179.10	968.98	-1.07	3.80	-1.07	1.81
26	980.10	1.20	206.50	979.98	-1.28	3.75	-1.28	1.55
27	989.60	1.10	210.70	989.48	-1.45	3.65	-1.45	0.41
28	999.10	1.10	227.60	998.98	-1.59	3.54	-1.59	1.02
29	1027.70	0.70	217.40	1027.57	-1.91	3.23	-1.91	0.45
30	1046.70	0.70	250.40	1046.57	-2.05	3.05	-2.05	0.63
31	1074.70	0.50	247.30	1074.57	-2.15	2.78	-2.15	0.22
32	1103.20	0.50	260.60	1103.07	-2.22	2.54	-2.22	0.12
33	1135.40	0.90	283.50	1135.27	-2.18	2.16	-2.18	0.45
34	1159.60	0.30	213.50	1159.47	-2.19	1.94	-2.19	1.05
35	1188.10	0.30	173.10	1187.97	-2.33	1.90	-2.33	0.22
36	1235.90	0.50	182.20	1235.76	-2.66	1.91	-2.66	0.13

Final Closure is 3.27 metres on an Azimuth of 144.32

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et Al FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379

A.F.E. #: 00N010054 EST. T.O. 2100

DAILY COST: \$54,852

CUM. COST: \$688,926

DAILY MUD: \$2,497

CUM MUD: \$10,026

DAY: 10 REP DATE: 12/22/00 STATUS 08:00 DRILG 222 MM HOLE @ 1101 M K.B.

DEPTH: 1101 PROG. 115 KB: 492.10 GL: 487.00 MACP: 3711

SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.

MUD TYPE: GEL/CHEM WT: 1080 VISC: 47 WL: 14 FC: 1.5 PH: 10

ADDITIVES: CAUSTIC 2 SXS, BARITE 15 SXS, SODA ASH 6 SXS, GEL 77 SXS.

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
2	162685	222	VAREL	ETD34XG	3 X 15.9	RUN	115	13.5	RUN	18	80

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-Z8	165	203	110	1.243	9350	75	44	35
NATIONAL	DA-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT	222		0.25
AS PER DENE			
DIRECTIONAL BHA			
RPT			
			518.80
KELLY			
TOTAL			519.05

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.75	CEMENT:	
SURVEY:	0.75	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	13.50	DST:	
DRILL OUT:		TRIP:	4.75
CIRCULATE:	0.25	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	3.25
S&C DRILG LINE	0.75		

CASING SUMMARY

RAN	40 JTS OF	244.5 MM,	53.57 KG/M,	J-55	SURFACE CASING.
LANDED AT	500.75 MKB.	TOTAL LENGTH	501.24 METERS.		
CEMENTED WITH	27 TONNES 0:1:0 "G" W/1% CaCL ₂				
PLUG DOWN AT	18:32 HRS. ON	12/17/00	WITH	10.5 M3 CEMENT RETURNS.	

TOTAL HOURS: 24.00

0800-1100 CHANGE BITS & BHA-RIH. 1100-1115 PULSE TEST MWD @ 200 M. 1115-1200 SLIP & CUT DRILG LINE. 1200-1215 RIG SERVICE. 1215-1400 RIH TO 795 M. 1400-1715 REAM & CLEAN F/795-988 M-BTM. 1715-2330 DRILL 222 MM PRODUCTION HOLE F/986-1036 M. 2330-2345 RIG SERVICE/FUNCTION ANNULAR. 2345-2400 ACCUMULATED SURVEYS AS REQUIRED. 0000-0315 DRILL F/1036-1064 M. 0315-0330 RIG SERVICE/FUNCTION TOP PIPE RAMS. 0330-0730 DRILL F/1064-1101 M. 0730-0800 ACCUMULATED SURVEYS AS REQUIRED.

BHA: 222 MM BIT, DOG SUB, MTR @ 7/8 DEG SET, 222 3 PT REAMER, 165 MM FLT SUB, 171 MM LANDING SUB, 171 NMDC, 171 NMDC, 220 MM STRING STAB, 6 171 MM DC'S, HYDRO MECH JARS, 6 171 MM DC'S, X/O, 40 114 MM HWDP F/ TOTAL LENGTH 519.05 M

WEATHER - 16 DEG CALM

DRILLING REPORT DAY 40

DEC-22-00 08:52 AM

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): RICK SMITH
GEOLOGIST(S): BYRON NEU
ANALYST(S): JIM LOADER

REPORT NO.: 12
DATE: DEC 22, 2000
DEPTH @ REPORT: 1087 m
24HR. PROGRESS: 101 m
LAG (min)/ SPM: 20 / 110

MUD PROPERTIES : DEN 1080 Kg/m3; VIS 47 sec/L; WL 14.0; pH 10.0
DRILLING PARAMETERS : RPM 55; FOB 16; PP 9500 ; SPM 110
RIG STATUS AT 06:00 hrs: DRILLING AHEAD

SUMMARY OF GASES

BACKGROUND GAS: 10 - 25 UNITS FROM 986 m TO 1050 m
10 - 120 UNITS FROM 1051 m TO 1087 m

PEAKS : 417 / 120 @ 1087 m

<u>PRODUCED GASES:</u>	TYPE	PEAK	/	BRGD	/	TIME PUMPS OFF	/	DEPTH
	TG	53	/	11	/	850 min	/	986 m
	CG	53	/	12	/	4	/	1016 m
	CG	36	/	8	/	4 min	/	1036 m

COMMENTS: DRILLING AHEAD IN THE GARBUTT FORMATION.

ABBREVIATIONS

CG - Connection Gas
SG - Survey Gas
TG - Trip Gas
SDG - Shut Down Gas

RTG - Recycled Trip Gas
FCG - Flow Check Gas
WTG - Wiper Trip Gas
DGP - Drilled Gas Peak

12/22/00 10:56 FAX 403 266 6032

PARAMOUNT RES. FLR 39

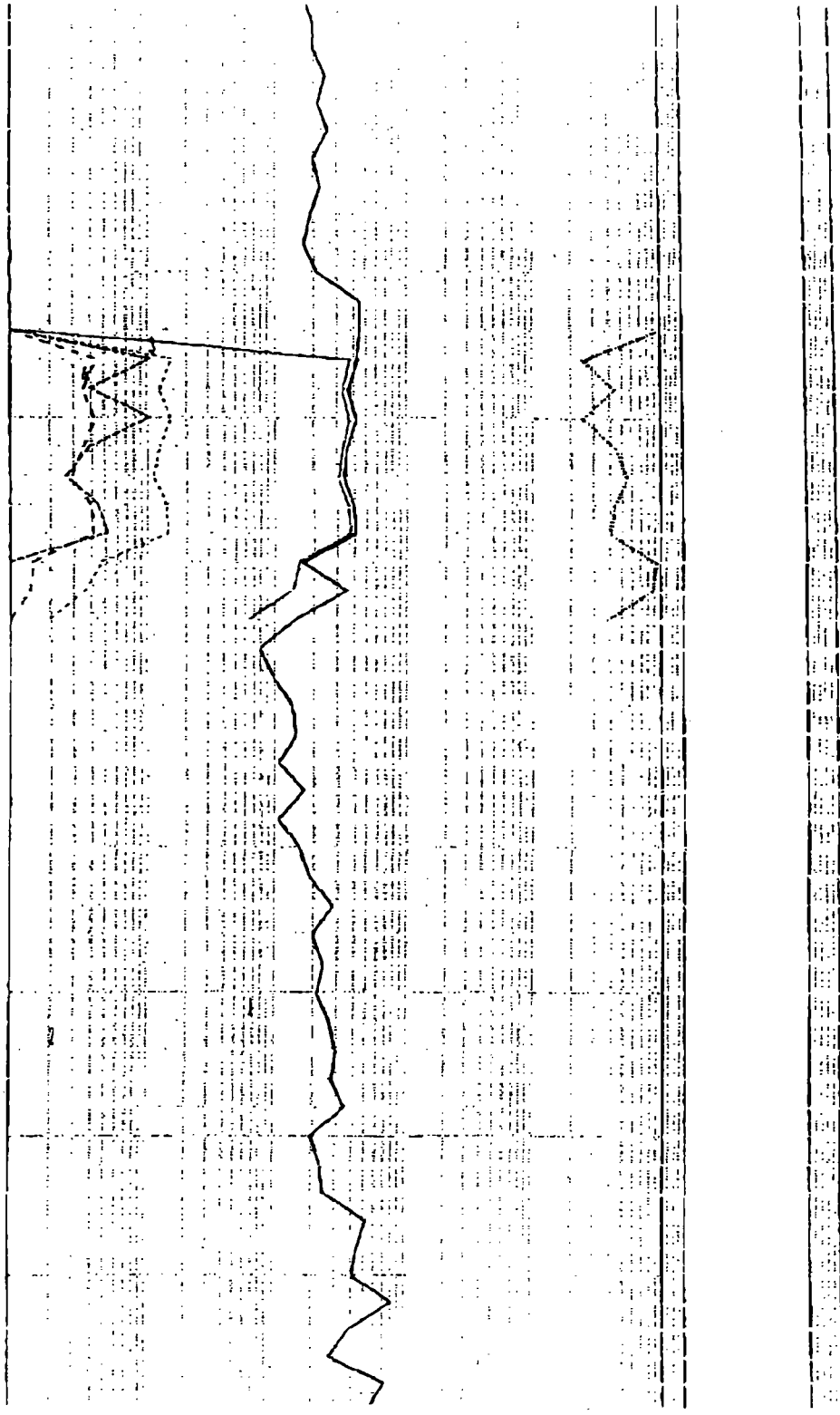
0005/017

DEC-22-00 00:52 AM

F. 02

1050

1025



1075

2

Daily Geological Report
Date: 22nd December 2000
Country: Canada

PARAMOUNT RESOURCES Ltd.

Well: Paramount et al Fort Liard NWT.

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

Report No: DGR 1	Rig: Precision # 379	Province: NWT	LSD: 01-60-10-123-15
Spud Date: 12,Dec,00	Days from Spud: 10	K.B. 491.21m	G.L. 486.2 m

Hole Size: 222mm	Casing: 226 mm @501m	Bit Type: ETD34-XG	Hours Drilling: 13.5hrs
Mud Type: Gel-chem	Drill Mode: Mud Motor	M.W.: 1080	Average ROP: 6.5m/hr
Vis: 47	pH: 10	F.L.: 14	Cl: -

24 Hour Operations Summary (00.00-24.00 hours)

Drilled from 947 m-1036m		
Midnight Depth: 21-12-00	1036m MD;	Progress: 89m

Status at 0600 hours (24th Nov.)

Depth m MD KB	(TVD SS)	Formation
1067 m	-581m	Garbutt
Present Operation: Drilling ahead		

Stratigraphy

Formation Tops	Sample (mKB)		Prognosed (mKB)		Isopach		Hi/Lo (-)
	MD	TVDSS	MD	TVDSS	Sample	Prog	
Kotanelee GP	36.4						
Dunvegan FM	44.4						
Sully FM	177.8						
Sikanni FM	241.6						
Lepine FM	406.4						
Scatter FM	910.6						
Garbutt FM	1052						
TD							

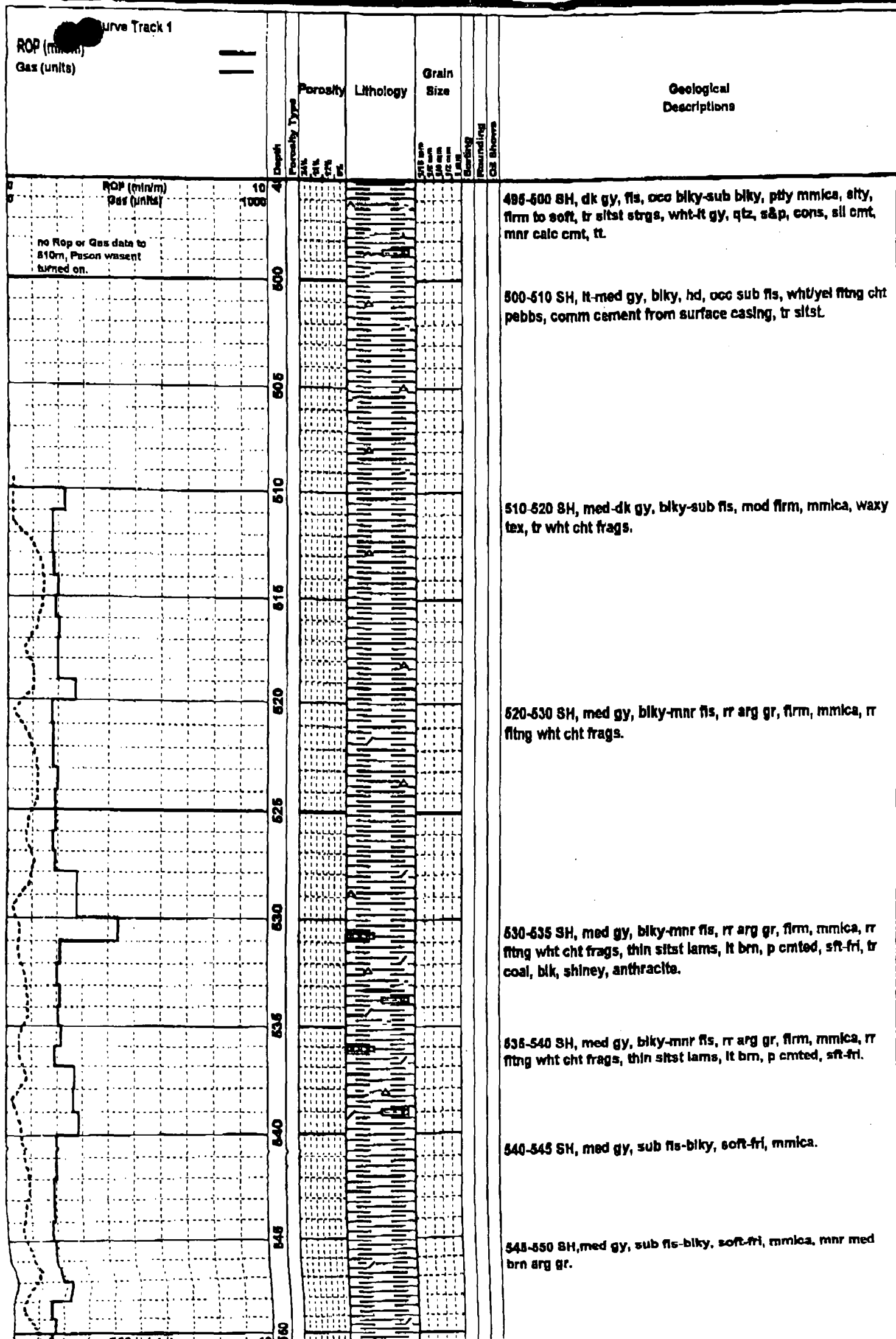
Next Operation (06:00 hours onwards): Continue drilling through the Garbutt Formation

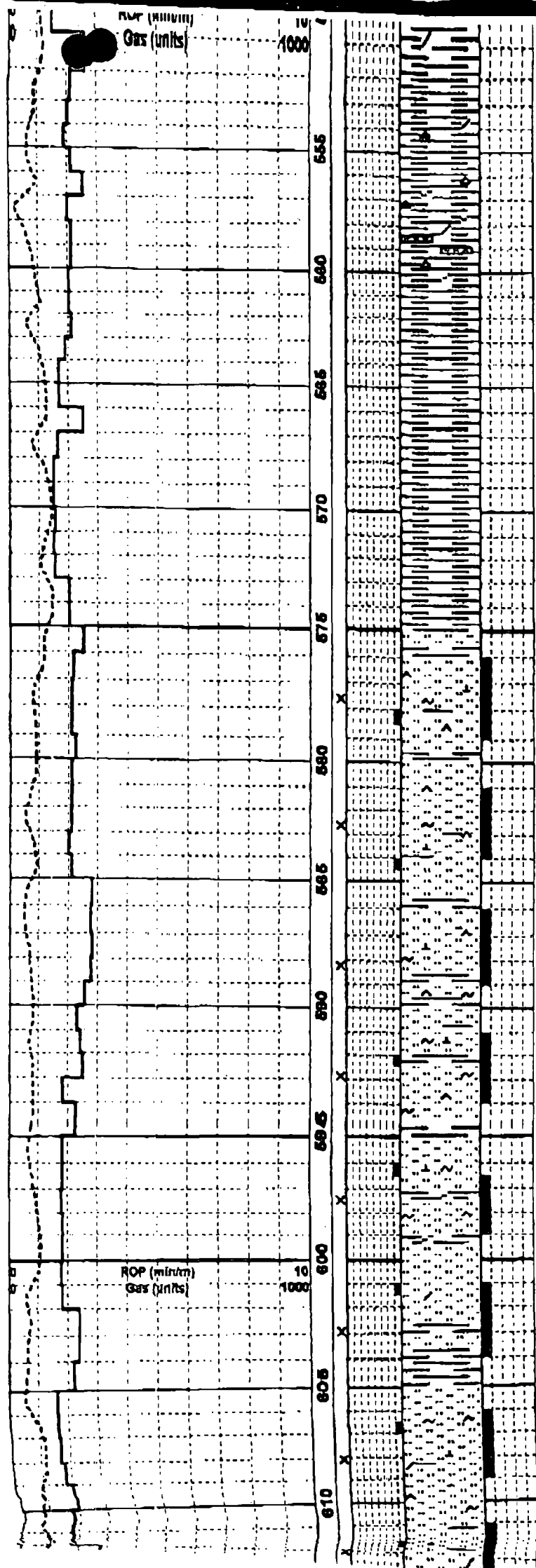
Remarks:

Good morning Paul. We are currently Drilling at about 5m/hour. At 1098 m md. I will have the descriptions and lithology for the strip log fully updated for tomorrows report. I am currently describing samples from 500m to 1000m which were drilled yesterday. There is no significant geology to mention at the moment. Formation lithology and gas are as expected.

Regards Byron Neu Wellsite Geologist.







550-555 SH, med gy, biky, occ sub fis, fnty mmica, mod hd, earthy tex, occ fting arg gr, rr fting blk cht gr.

555-560 SH, med gy, biky, occ sub fis, fnty mmica, mod hd, earthy tex, occ fting arg gr, rr fting blk cht gr, tr sltst strg, med gy, occ green/yel cht frags.

560-575 SH, med-dk gy, biky-occ sub fis, mod hd-firm, mmica, sl earthy tex,

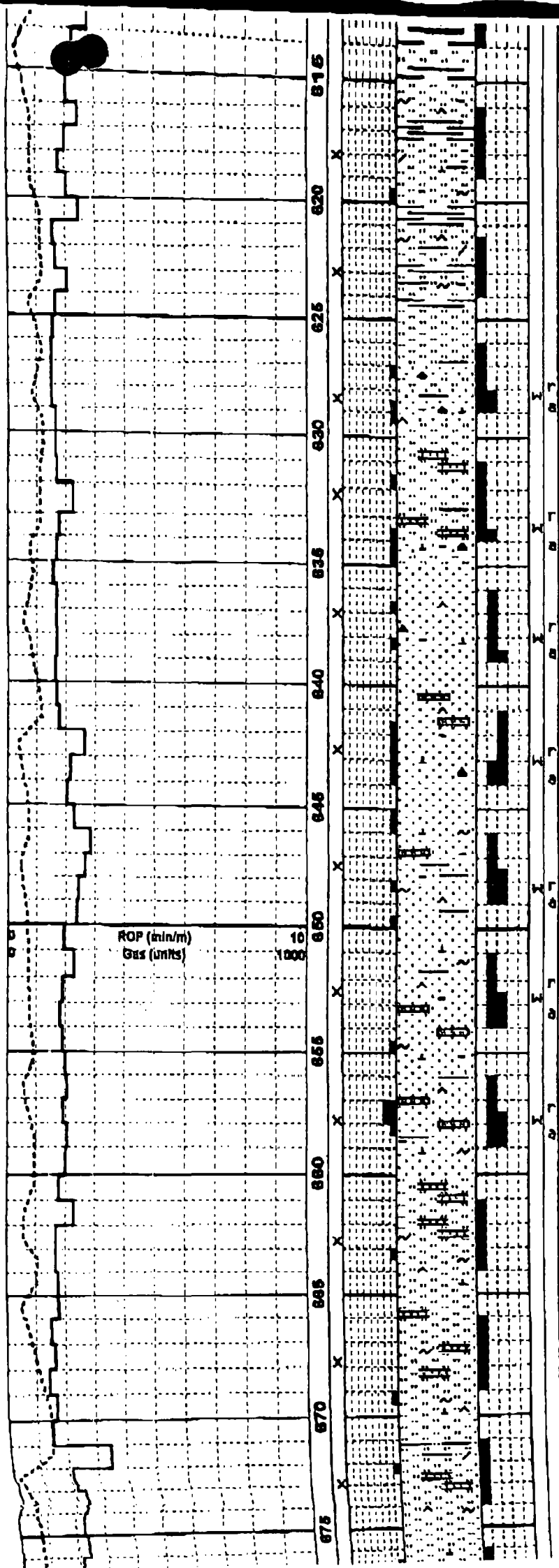
575-585 SLTST, med gy, qtzs, cons, comm dk spks, s&p, sil cmt, mnr calc cmt, tr glauc, firm-well cmted, intbd sh aa.

585-590 SLTST, dk gy, qtzs, cons, comm dk spks, s&p, sil cmt, mnr calc cmt, tr glauc, firm-well cmted, grading to sh aa.

590-600 SLTST, med-dk gy, qtzs, comm mmica, w cmted, sil cmt, tr calc cmt, loc glauc gr, sh, med gy, silty, biky, firm, mmica, tr arg gr.

600-605 SLTST, aa, grading to sh, med gy, sub fis-biky, mod hd, mmica, tr fting arg gr.

605-625 SLTST, lt-med gy, grading to sh, cons, p cmted, qtzs, rr dk spks, comm glauc gr, calc-sil cmt, arg comp to mtz, sh strg, med gy, biky, firm, v comm mmica, fting wht arg gr.



625-635 SLTST, aa, SS strg, wht-lt gy, cons, p cmted, clr-fro qtz gr, occ dk cht gr, vf gr, w srt, sub r-sub ang, calc-sil cmt, arg comp to mtx, vp vis por, tt n/s, sh strg aa.

635-645 SS, wht-lt gy, part cons, p cmted, clr-fro qtz gr, occ dk cht gr, vf gr grading to f gr, w srt, sub r-sub ang, calc-sil cmt, arg comp to mtx, vp vis por, tt n/s, sh strg, med gy, rr carb.

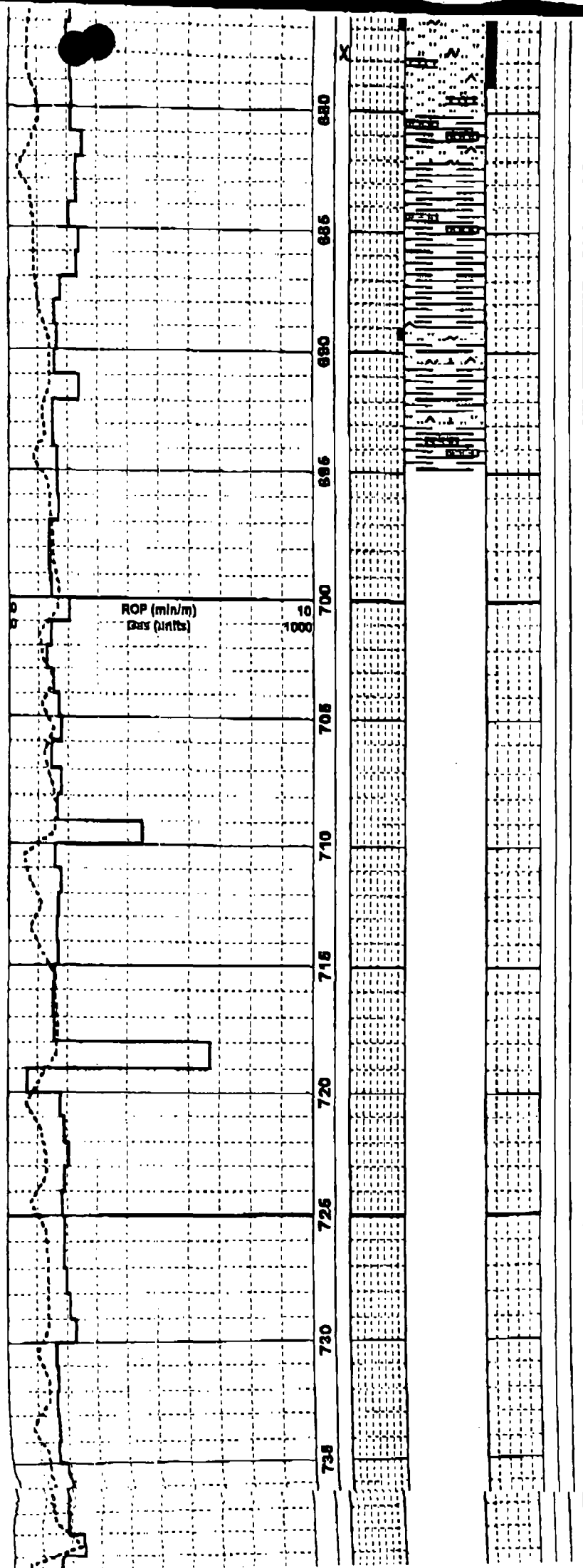
645-650 SS, wht, cons, p cmted, tr scatt dk spks, clr-fro qtz gr, vf-f gr, comm f gr, w srt, sub r-sub ang, calc-sil cmt, arg mtx, comm glauc, p vis por, tt n/s, silty in pt, sh in pt.

650-660 SS, aa, p cmted, part uncons.

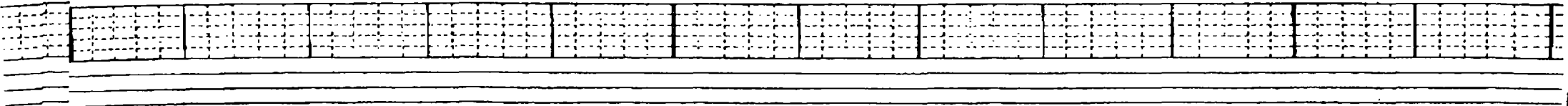
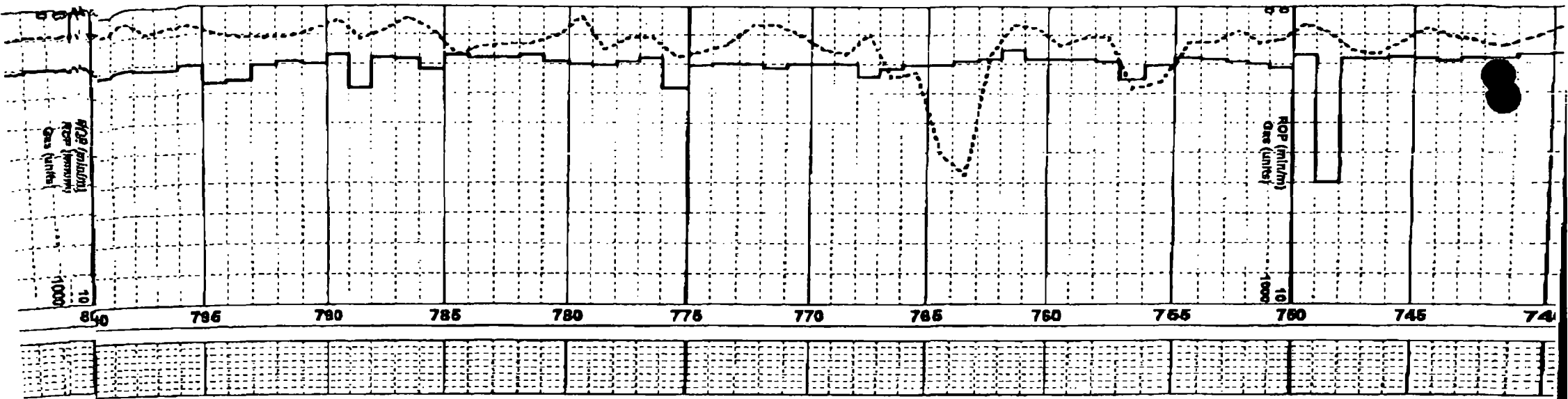
660-680 SLTST, med-dk gy, qtzs, comm mmica, w cmted, sil cmt, tr calc cmt, loc glauc gr, sh, med gy, silty, blk, firm, mmica, tr arg gr, SS strg aa.

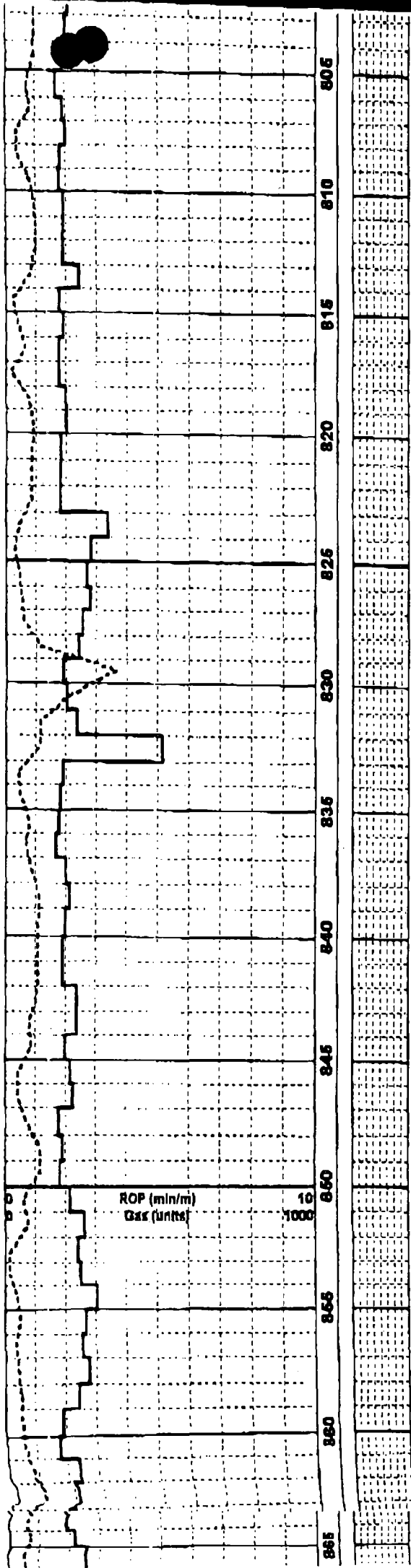
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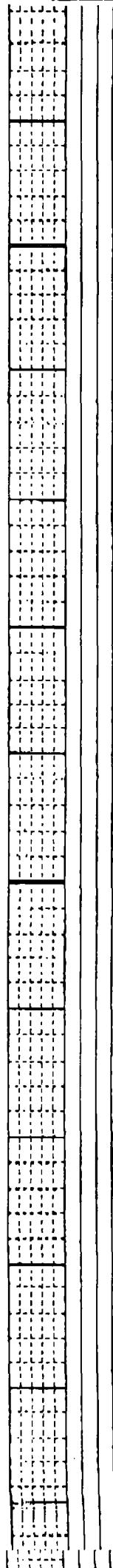
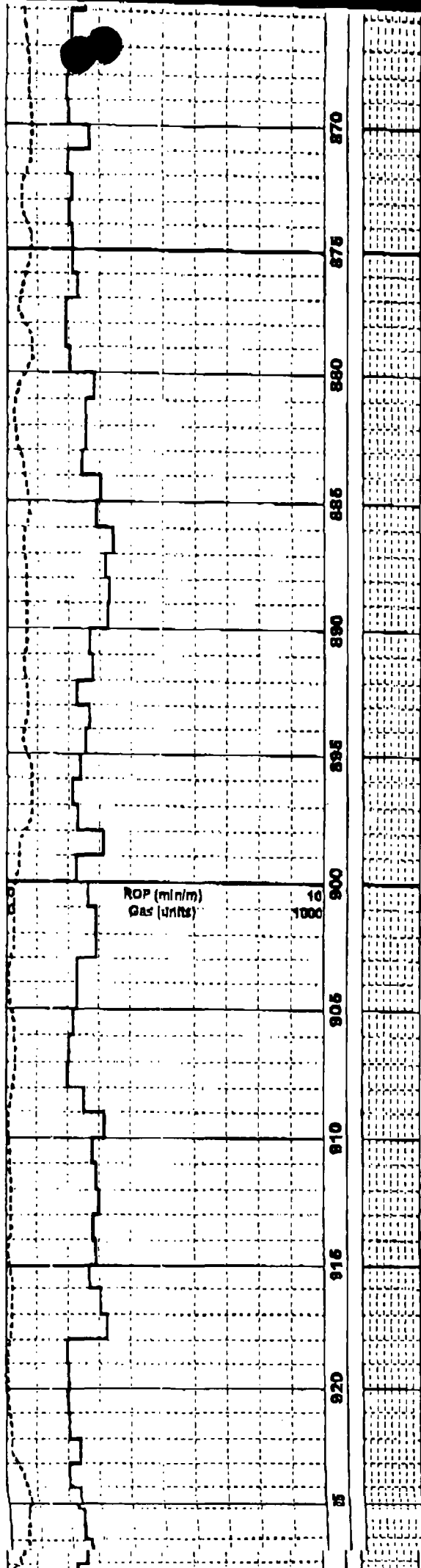
P. 08



680-686 SH, med-dk gy, biky-occ sub fis, mod hd-firm,
mmica, sl earthy tex, SLTST, med gy, qtzs, cons, comm dk
spks, s&p, sil cmt, mnrcalc cmt, tr glauc, firm-wall cmted,
Intbd sh aa.

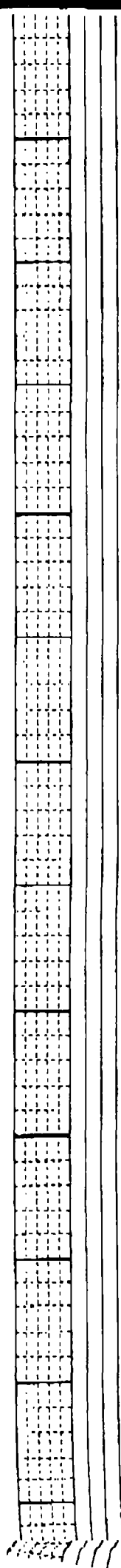
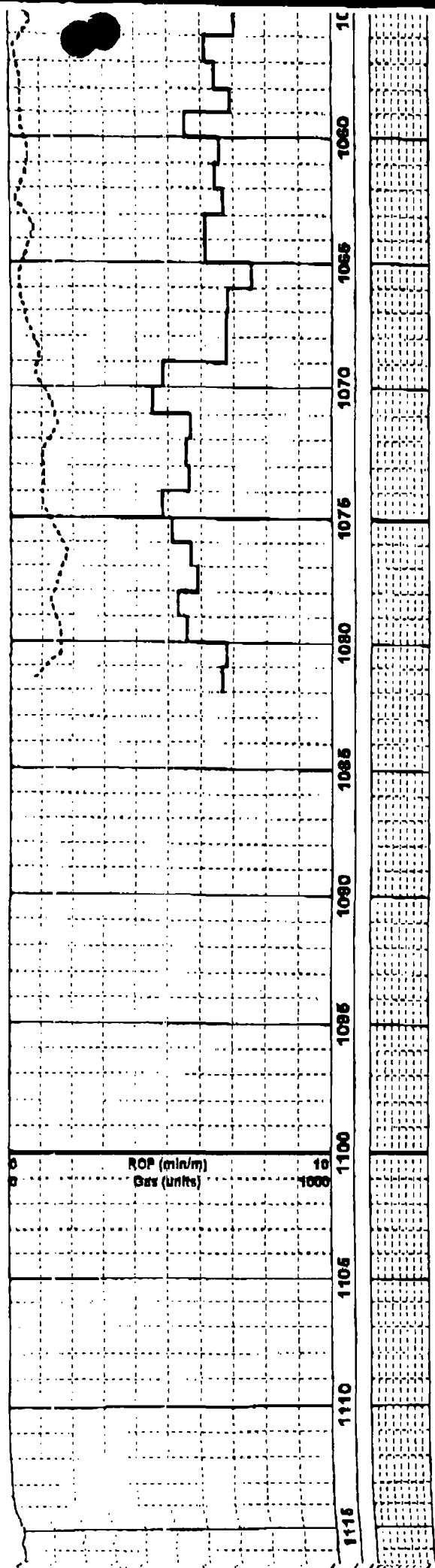


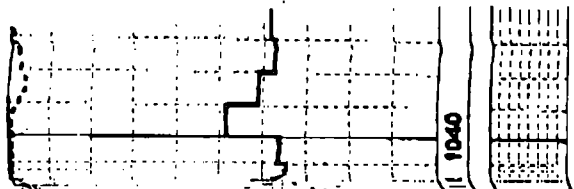
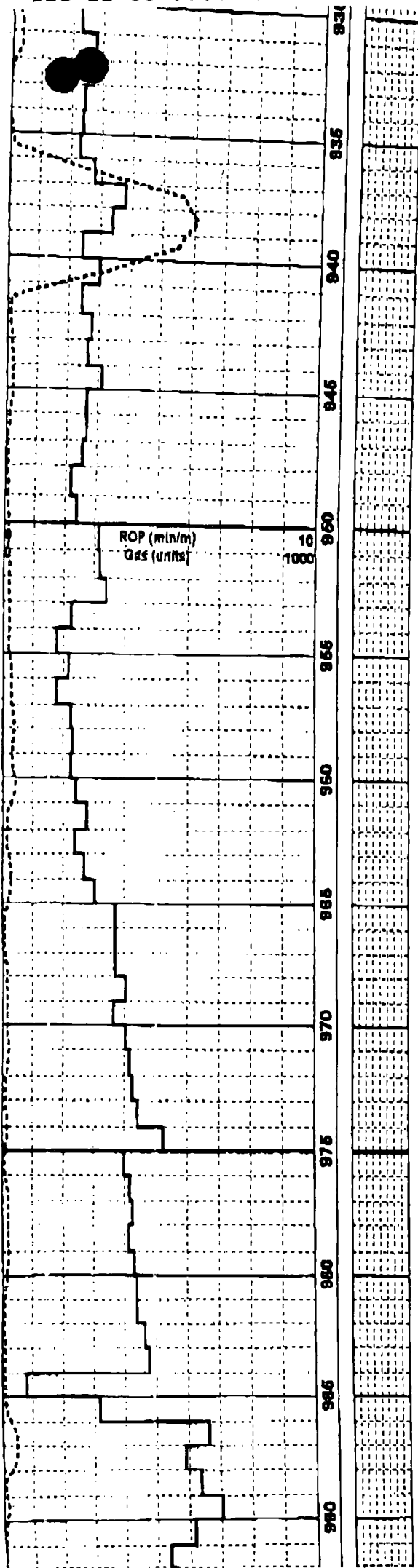




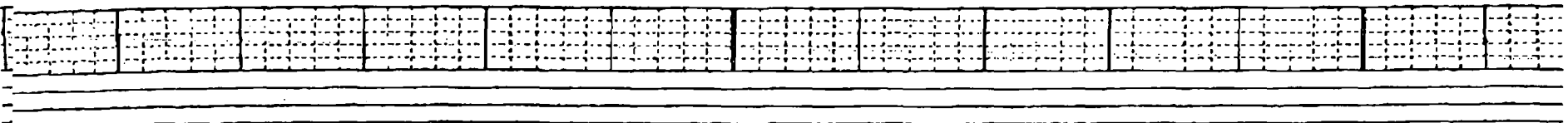
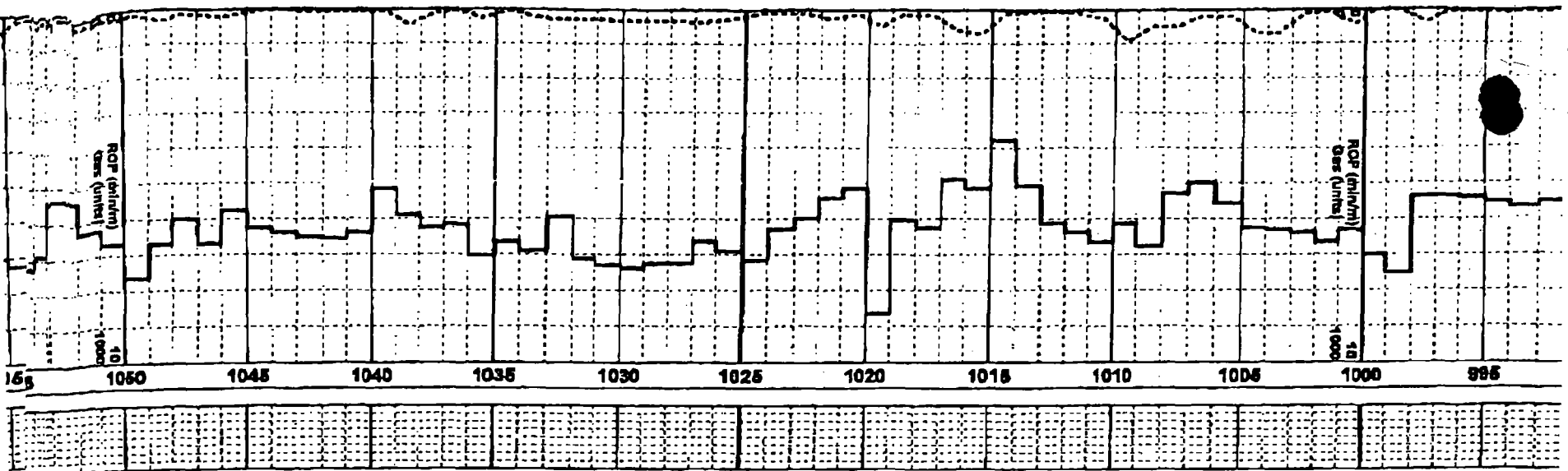
DEC-22-00 08:39 AM

P. 12





DEL-4-00 00:11 PM



995-1000 No sample caught.

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 21 2000 09:26AM P1

PARAMOUNT RESOURCES LTD.**DAILY DRILLING REPORT****PARA Et AI FORT LIARD**UNIQUE I.D. EL 381LOCATION: N-01WELL LICENCE WID 1802SUPERVISOR: R SMITH (306) 861-7897CELLULAR #: (306) 577-7531SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #379A.F.E. #: 00N010054 EST. T.D. 2100DAILY COST: \$51,950CUM. COST: \$634,074DAILY MUD: \$2,140CUM MUD: \$7,529DAY: 9 REP DATE: 12/21/00 STATUS 08:00 POOH-BIT TRIP.DEPTH: 986 PROG. 325 KB: 492.10 GL: 487.00 MACP: SURVEYS: AS PER DENE DIRECTIONAL SURVEY RPT.MUD TYPE: GEL/CHEM WT: 1090 VISC: 38 WL: FC: PH: 10ADDITIVES: GYPSSUM 28 SXS, ENVIROFLOC 1B SXS, ALCOMER 110 1 PAIL-----

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
1	P25DJ	222	HTC	EP4727	3X12	368	485	26.5	2-2-IN	8-18	80

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	110	1.243	10200	75	44	54
NATIONAL	DA-500	152	400						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT	222		0.25
MTR SET @ 7/8	171		8.29
FLT SUB	165	65	0.78
NMDC'S	171	71	19.63
6 DC'S/JARS	171	60	60.18
6 DC'S/XO	171	60	54.85
40 HWDP			371.69
KELLY			
TOTAL			515.67

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.50	CEMENT:	
SURVEY:	2.00	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	21.00	DST:	
DRILL OUT:		TRIP:	
CIRCULATE:	0.50	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	

CASING SUMMARY

RAN 40 JTS OF 244.5 MM, 53.57 KG/M, J-55 SURFACE CASING.
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNNE 0:1:0 "G" W/1% CaCl2
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TOTAL HOURS: 24.00

0800-1145 DRILL 222 MM PRODUCTION HOLE W/DENE DIRECTIONAL MTR ASSY F/661-747 M. 1145-1200 RIG SERVICE/FUNCTION UPPER & LOWER PIPE RAMS. 1200-1500 DRILL F/747-813 M. 1500-1600 ACCUMULATED SURVEYS AS REQUIRED. 1600-2245 DRILL F/813-936 M. 2245-2300 RIG SERVICE. 2300-2315 DRILL F/936-947 M. 2315-2400 ACCUMULATED SURVEYS AS REQUIRED. 2400-0400 DRILL F/947-986 M. 0400 TO 0430 CIRCULATE BTMS HOLE SAMPLE/HOLE CLEAN. 0430-0445 ACCUMULATED SURVEY TIME. 0445-0800 PUMP PILL/BLOW KELLY/FLOW CHECK & POOH W/FLOW CHECKS AS REQUIRED.

NOTE: MUD UP @ 060 M. WELL SITE GEOLOGIST ON WAY TO LOCATION.

WEATHER -15 DEG/CALM/SLIGHT OVERCAST.

DRILLING REPORT DAY 15

JM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 21 2000 09:28AM P2

-21-2000

*** O-N-S-C-R-E-E-N ***

SURVEY CALCULATION REPORT

PARAMOUNT RESOURCES LIMITED

RA ct al FORT LIARD

01

Section Calculated on 0.00

Calculation Method: Minimum Curvature

#	Depth (m)	Angle	Azimuth	TVD (m)	N/S (m)	E/W (m)	Section (m)	DogLeg (/30)
0	501.00	0.00	0.00	501.00	0.00	0.00	0.00	0.00
1	512.30	1.10	274.70	512.30	0.01	-0.11	0.01	2.92
2	521.80	1.20	276.80	521.80	0.03	-0.30	0.03	0.35
3	531.30	1.10	270.50	531.30	0.04	-0.49	0.04	0.51
4	540.70	1.10	261.30	540.70	0.03	-0.67	0.03	0.56
5	569.40	0.70	278.20	569.39	0.01	-1.11	0.01	0.50
6	597.90	0.50	306.70	597.89	0.11	-1.39	0.11	0.37
7	627.50	0.50	304.90	627.49	0.42	-1.80	0.42	0.45
9	664.60	0.70	300.00	664.58	0.49	-2.01	0.49	0.66
10	702.70	0.50	353.10	702.68	0.77	-2.23	0.77	0.45
13	759.80	2.10	91.10	759.76	0.85	-0.76	0.85	0.18
14	769.40	1.80	91.20	769.35	0.85	-0.43	0.85	0.94
15	797.00	1.60	89.90	797.94	0.88	0.41	0.86	0.25
16	807.40	1.60	85.50	807.34	0.88	0.68	0.88	0.12
17	836.00	1.40	90.50	835.93	0.90	1.43	0.90	0.25
18	864.60	1.40	100.70	864.52	0.84	2.12	0.84	0.26
19	893.10	1.40	119.60	893.01	0.60	2.76	0.60	0.48
21	921.70	1.60	142.10	921.60	0.14	3.26	0.14	0.79
22	931.20	1.80	147.40	931.10	-0.09	3.42	-0.09	0.80
23	950.20	1.60	160.40	950.09	-0.59	3.67	-0.59	0.68
24	950.70	1.60	160.50	950.50	0.20	3.67	0.20	0.68

FROM : RJS OILFIELD CONSULTING LTD

FAX NO. : 306 861 7897

Dec. 21 2000 08:06AM P1

PARAMOUNT et al PORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W**DAILY GEOLOGICAL REPORT**

REPORT : 08

DATE : DEC 21, 2000

TO : PARAMOUNT RESOURCES LTD.
ATTN: PAUL PRICE
FAX : 1 403 266 6032**WELL INFORMATION**WELL NAME : PARAMOUNT et al PORT LIARD NWT N-01
LOCATION : N-01-60-10-123-15
RIG : PRECISION # 379
SPUD DATE : DEC 12, 2000
DAYS FROM SPUD : 09**DRILLING INFORMATION**KB : 491.21 m AMSL
GL : 486.20 m AMSL
HOLE SIZE : 222 mm
CASING : 226 mm ID SET @ 501 m
BIT : #1 WESTERN EP4227 222mm
HOURS DRILLING : 22.50 hrs
DRILLING MODE : DIRECTIONAL DRILLING WITH MUD MOTOR
AVERAGE ROP : 25 m/hr**DRILLING MUD PROPERTIES**

TYPE : FLOC WATER WT : 1005 VIS : 29 WL : N/A PH : N/A

OPERATIONS SUMMARY (00:00-24:00 HRS)MIDNIGHT DEPTH: 946 m PROGRESS : 418 m
COMMENTS : DRILLING AHEAD.DEPTH @ 06:00 HRS : 986 m FORMATION @ 06:00 HRS : SCATTER FORMATION
COMMENTS : DRILLING IN MOSTLY DK GY-BLK SHALES WITH THIN INT'LAM LT GY
SLTST / VF GR WH-LT GY- LTRN GY SS**STRATIGRAPHY**

FORMATION TOPS	SAMPLE (m KB)	PROGNOSED (m KB)
LEPINE FORMATION	406.40	406.30
SCATTER FORMATION	910.60	911.30

REMARKS : GOOD MORNING PAUL. WE DIRECTIONAL DRILLED AHEAD TO 946 METERS AND NOW ARE TRIPPING FOR A BIT. THE TOP OF THE SCATTER WAS A DIFFICULT PICK DUE TO THE POOR DEFINITION IN ROP FROM THE MUD MOTOR AND POOR SAMPLE QUALITY. THE PICK I MADE WAS A SUBTLE CHANGE IN GAS READINGS WITH A MINOR DRILLING BREAK AT 910.60 m. THE SAMPLE DOES SHOW AN INCREASE IN SLTST CONTENT ALSO.

REGARDS
JIM LOADER

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 21 2000 08:06AM P2

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" WCONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): RICK SMITH
GEOLOGIST(S):
ANALYST(S): JIM LOADERREPORT NO.: 11
DATE: DEC 21, 2000
DEPTH @ REPORT: 986 m
24HR. PROGRESS: 354 m
LAG (min) / SPM: 18 / 110-----
MUD PROPERTIES : DEN 1080 Kg/m3; VIS 34 sec/L; WL N/A; pH 10.0
DRILLING PARAMETERS : RPM 50; FOB 14; PP 9500 ; SPM 110
RIG STATUS AT 06:00 hrs: DRILLING AHEAD TO 986 m AND TRIP FOR BIT.SUMMARY OF GASESBACKGROUND GAS: 15 - 150 UNITS THROUGHOUT INTERVAL

NO SIGNIFICANT FORMATION GAS PEAKS PRESENT

<u>PRODUCED GASES:</u>	TYPE	PEAK	/	BKGD	/	TIME PUMPS OFF	/	DEPTH
	CG	330	/	130	/	3 min	/	739 m
	CG	367	/	130	/	3 min	/	757 m
	CG	679	/	130	/	6 min	/	765 m
	CG	390	/	90	/	3 min	/	830 m

COMMENTS : DRILL AHEAD TO 986 METERS, TRIP FOR BIT. CONNECTION GASSES WERE PRESENT WHILE DRILLING WITH WATER BUT HAVE BEEN ELIMINATED AFTER MUDDING-UP.ABBREVIATIONSCG - Connection Gas
SG - Survey Gas
TG - Trip Gas
SDG - Shut Down GasRTG - Recycled Trip Gas
FCG - Flow Check Gas
WTG - Wiper Trip Gas
DGP - Drilled Gas Peak

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 20 2000 09:53AM P1

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

PARA Et AI FORT LIARD

UNIQUE I.D. EL 381

LOCATION:

N-01

WELL LICENCE

WID 1902

SUPERVISOR: R SMITH (306) 861-7897

CELLULAR #: (306) 577-7531

SPUD DATE: 12/12/00

R.R. DATE:

CONTRACTOR: PRECISION #370

A.F.E. #: 00N010054 EST. T.D. 2100

DAILY COST: \$51,939

CUM. COST: \$582,124

DAILY MUD:

CUM MUD:

DAY: 8 REP DATE: 12/20/00 STATUS 08:00 DRILG 222 MM PRODUCTION HOLE.

DEPTH: 661 PROG. 160 KB: 492.10 GL: 487.00 MACP: 0000

SURVEYS: AS PER DENE DIRECTIONAL SURVEY REPORT

MUD TYPE: FLOC/H2O WT: 1005 VISC: 29 WL: FC: PH: 8

ADDITIVES: ENVIROFLOC 6 SXS, GYPSUM 18 SXS.

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
1A	P25DJ	222	HTC	EP4727	3 X 12.7	RUN	160	8.75	RUN	14	80

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARDNER DENVER	P-28	165	203	110	1.243	8500	75	44	54
NATIONAL	DA-500	152	406						

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT	222		0.25
MTR SET @ 7/8	171		8.29
FLT SUB	165	65	0.78
NMDC'S	171	71	19.63
6 DC'S/JARS	171	60	60.18
6 DC'S/XO	171	60	54.85
40 HWDP			371.69
KELLY			
TOTAL			515.67

CASING SUMMARY

RAN 40 JTD OF 244.6 MM, 62.67 KCM, J 55 SURFACE CASING
 LANDED AT 500.75 MKB. TOTAL LENGTH 501.24 METERS.
 CEMENTED WITH 27 TONNES 0:1:0 "G" W/1% CaCl₂
 PLUG DOWN AT 18:32 HRS. ON 12/17/00 WITH 10.5 M3 CEMENT RETURNS.

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.75	CEMENT:	
SURVEY:	0.75	WOC:	
PRESSURE TEST:	4.00	RUN CSG:	
DRILL:	8.75	DST:	
DRILL OUT:	2.60	TRIP:	3.25
CIRCULATE:		L.D.D.S.:	
NIPPLE UP BOP:		REAM:	
THAW OUT MR	0.50	HANDLE T	3.00
M/U BHA		BOP DRILL	0.50

TOTAL HOURS: 24.00

0800-0830 THAW OUT STANDPIPE & MUD ROW. 0830-1130 M/U DRILL OUT ASSY. 1130-1145 RIG SERVICE.
 1145-1500 RIG W/DRILL OUT BHA TO 485 M K.B. 1500-1830 PRESSURE TEST KILL LINE TO 21,000 KPA-
 PRESSURE TEST UPPER & LOWER KELLY VALVES 1,400 KPA LO 10/MIN 14,000 KPA HI 10/MIN. CONDUCTED
 ACCUMULATOR FUNCTION TEST/FUNCTION MOTOR KILL FUNCTION TEST. 1830-1845 RIG SERVICE/CHECK
 HCR. 1845-1900 HELD BOP DRILL 1900-2130 DRILL OUT FIT. CMT & SHOE. 2130-2200 DRILL 222 MM
 PRODUCTION HOLE F/501-511 M. 2200-2230 FORMATION I FAK OFF TEST 6,100 KPA APPLIED SURFACE
 PRESSURE FOR 22 KPA/M-NO LEAK OFF. 2230-2400 DRILL F/511-528 M. 2400-0015 BOP DRILL. 0015-0415
 DRILL F/528-604 M. 0415-0430 RIG SERVICE/FUNCTION ANNULAR. 0430-0715 DRILL F/604-661 M. 0715-
 0800 ACCUMULATED SURVEYS AS REQUIRED.

NOTE: \$4,250 CORRECTION ON COSTS ON DAYS F/SPUD RPT #7 TO #8.

WEATHER -28 DEG C CALM-CLEAR.

DRILLING REPORT DAY 14

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 20 2000 08:21AM P1

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W**DAILY GEOLOGICAL REPORT**

REPORT : 07

DATE : DEC 20, 2000

TO : PARAMOUNT RESOURCES LTD.
ATTN: PAUL PRICE
FAX : 1-403-266-6032**WELL INFORMATION**WELL NAME : PARAMOUNT et al FORT LIARD NWT N-01
LOCATION : N-01-60-10-123-15
RIG : PRECISION # 379
SPUD DATE : DEC 12, 2000
DAYS FROM SPUD : 08**DRILLING INFORMATION**KB : 491.21 m AMSL
GI : 486.70 m AMSL
HOLE SIZE : 222 mm
CASING : 226 mm ID SET @ 501 m
BIT : #1 WESTERN EP4227 222mm
HOURS DRILLING : 1.5 hrs
DRILLING MODE : DRILLING AHEAD
AVERAGE ROP : 28 m/hr**DRILLING MUD PROPERTIES**

TYPE : FLOC WATER WT : 1005 VIS : 29 WL : N/A PH : N/A

OPERATIONS SUMMARY (00:00-24:00 HRS)MIDNIGHT DEPTH: 528 m PROGRESS : 27 m
COMMENTS : THAW FROZEN KELLY HOSE, SET-UP DIRECTIONAL TOOLS, DRILL
THROUGH CASING SHOE, DRILL AHEADDEPTH @ 06:00 HRS : 632 m FORMATION @ 06:00 HRS : LEPINE FORMATION
COMMENTS : DRILLING EXTREMELY QUICK, RECEIVING SAMPLES EVERY 8 - 10 min.**STRATIGRAPHY**

FORMATION TOPS	SAMPLE (m KB)	PROGNOSED (m KB)
LEPINE FORMATION	406.40	406.30

REMARKS : GOOD MORNING PAUL WE ARE FINALLY DRILLING AHEAD AND MAKING UP
FOR LOST TIME. I WILL TRY TO GET AHEAD OF THESE SAMPLES THIS MORNING, BEFORE
HELP ARRIVES. WISH ME LUCK.REGARDS
JIM LOADER

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 20 2000 08:22AM P2

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): RICK SMITH
GEOLOGIST(S):
ANALYST(S): JIM LOADER

REPORT NO.: 10
DATE: DEC 20, 2000
DEPTH @ REPORT: 632 m
24HR. PROGRESS: 131 m
LAG (min) / SPM: 12.8 / 110

MUD PROPERTIES : DEN 1005 Kg/m³; VIS 29 sec/L; WL N/A; pH N/A
DRILLING PARAMETERS : RPM 50; FOB 13; PP 9000 ; SPM 110
RIG STATUS AT 06:00 hrs: DRILL THROUGH CASING SHOE AND DRILL AHEAD

SUMMARY OF GASESBACKGROUND GAS: 22 - 150 UNITS

NO SIGNIFICANT FORMATION GAS PEAKS PRESENT

PRODUCED GASES: TYPE PEAK / BKGD / TIME PUMPS OFF / DEPTH

NOTE: NO SIGNIFICANT PRODUCED GAS PEAKS PRESENT.

COMMENTS : DRILLING PENETRATION RATE IS EXTREMELY FAST, BUT GAS READINGS ARE
QUITE RESPONSIVE WITH THE FLOC WATER SYSTEM. NO MTI READINGS WILL BE AVAILABLE
UNTIL REPLACEMENT UNIT ARRIVES, BUT AGAIN I DO NOT EXPECT MORE THAN C1, C2
READINGS FOR THIS GEOLOGICAL INTERVAL.

ABBREVIATIONS

CG - Connection Gas
SG - Survey Gas
TG - Trip Gas
SDG - Shut Down Gas

RTG - Recycled Trip Gas
FCG - Flow Check Gas
WTG - Wiper Trip Gas
DGP - Drilled Gas Peak

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 20 2000 08:23AM P3

525

FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 20 2000 08:23AM P4

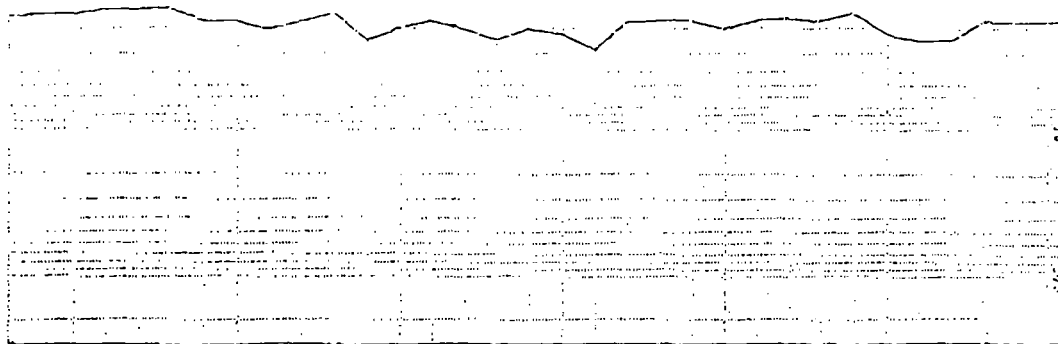
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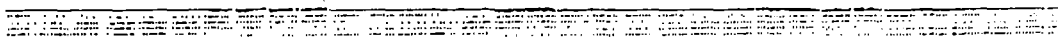
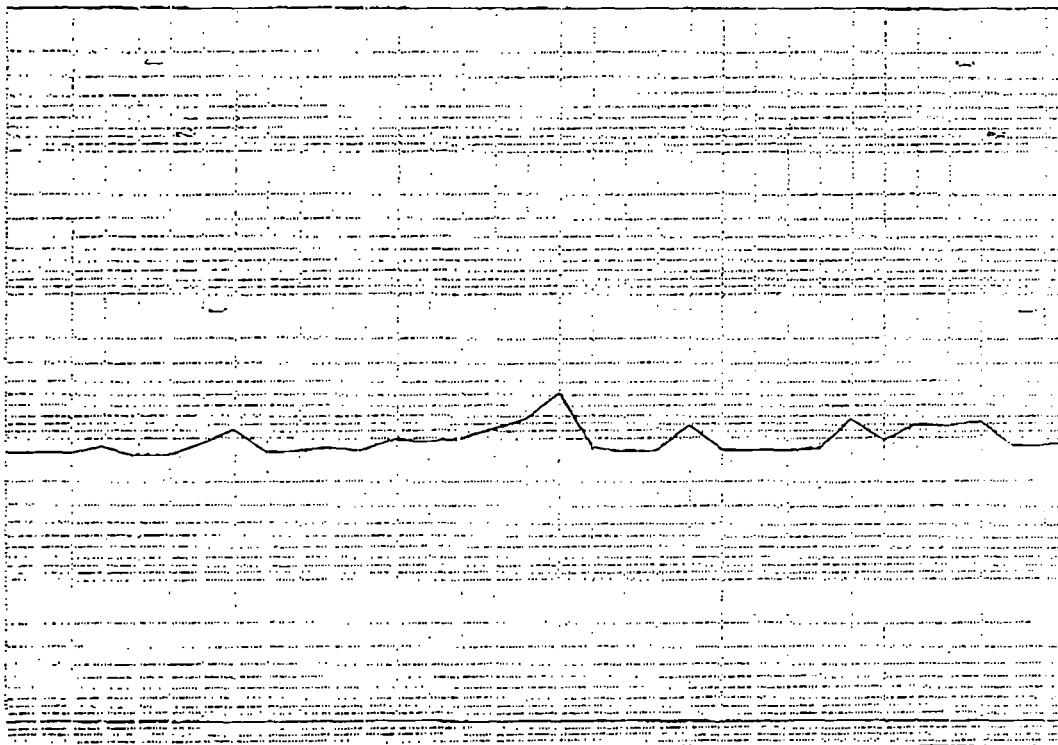
FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 20 2000 08:24AM P5



629



FROM : RJS OILFIELD CONSULTING LTD.

FAX NO. : 306 861 7897

Dec. 20 2000 10:52AM P2

12-20-2

*** O-N-S-C-R-E-E-N ***
SURVEY CALCULATION REPORTPARAMOUNT RESOURCES LIMITED
PARA et al FORT LIARD
N-01

Section Calculated on 0.00

Calculation Method Minimum Closure

#	Depth (m)	Angle	Azimuth	TVD (m)	N/S (m)	E/W (m)	Section (m)	DogLeg (/30)
0	501.00	0.00	0.00	501.00	0.00	0.00	0.00	0.00
1	512.30	1.10	274.70	512.30	0.01	-0.11	0.01	2.92
2	521.80	1.20	276.80	521.80	0.03	-0.30	0.03	0.35
3	531.30	1.10	270.50	531.30	0.04	-0.49	0.04	0.51
4	540.80	1.10	261.30	540.79	0.03	-0.67	0.03	0.56
5	569.40	0.70	278.20	569.39	0.01	-1.11	0.01	0.50
6	597.90	0.50	306.70	597.89	0.11	-1.39	0.11	0.37
7	627.50	0.50	304.90	627.49	0.26	-1.59	0.26	0.02

Final Closure is 1.61 metres on an Azimuth of 279.29

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): WILBERT CALAHOO
GEOLOGIST(S): GARY JOHANSSON
ANALYST(S): JIM LOADER

REPORT NO.: 09
DATE: DEC 19, 2000
DEPTH @ REPORT: 501 m
24HR. PROGRESS: 0 m
LAG (min) / SPM: 20.4 / N/A

MUD PROPERTIES : DEN N/A Kg/m³; VIS N/A sec/L; WL N/A; pH N/A
DRILLING PARAMETERS : RPM 0; FOB 0; PP 0; SPM 0
RIG STATUS AT 06:00 hrs: NIPPLE UP. PRESSURE TEST BOP'S, CASING, VALVES AND
LINES. READY DIRECTIONAL TOOLS.

SUMMARY OF GASES

BACKGROUND GAS: NO GASSES TO REPORT.

NO SIGNIFICANT FORMATION GAS PEAKS PRESENT

PRODUCED GASES: TYPE PEAK / BKGD / TIME PUMPS OFF / DEPTH

NOTE: NO SIGNIFICANT PRODUCED GAS PEAKS PRESENT.

COMMENTS: MTI IS ERRATIC AT TIMES. THEREFORE I WILL HAVE THE OFFICE SEND OUT
A REPLACEMENT UNIT WITH THE GEOLOGIST.

ABBREVIATIONS

CG - Connection Gas	RTG - Recycled Trip Gas
SG - Survey Gas	FCG - Flow Check Gas
TG - Trip Gas	WTG - Wiper Trip Gas
SDG - Shut Down Gas	DGP - Drilled Gas Peak

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

DAILY GEOLOGICAL REPORT

REPORT : 06
DATE : DEC 19, 2000

TO : PARAMOUNT RESOURCES LTD.
ATTN: PAUL PRICE
FAX : 1-403-266-6032

WELL INFORMATION

WELL NAME : PARAMOUNT et al FORT LIARD NWT N-01
LOCATION : N-01-60-10-123-15
RIG : PRECISION # 379
SPUD DATE : DEC 12, 2000
DAYS FROM SPUD : 07

DRILLING INFORMATION

KB : 491.20 m AMSL (EST)
GL : 486.20 m AMSL
HOLE SIZE : 311 mm
CASING : N/A
BIT : N/A
HOURS DRILLING : 0 hrs
DRILLING MODE : N/A
AVERAGE ROP : 0 m/hr

DRILLING MUD PROPERTIES

TYPE : GEL-CHEM WT : N/A VIS : N/A WL : N/A PH : N/A

OPERATIONS SUMMARY (00:00-24:00 HRS)

MIDNIGHT DEPTH: 501 m PROGRESS : 0 m
COMMENTS : NIPPLE UP, PRESSURE TEST CASING, BOP'S, VALVES AND LINES. TESTED @
1400 KPA / 10 min AND 14000 KPA / 10 min.

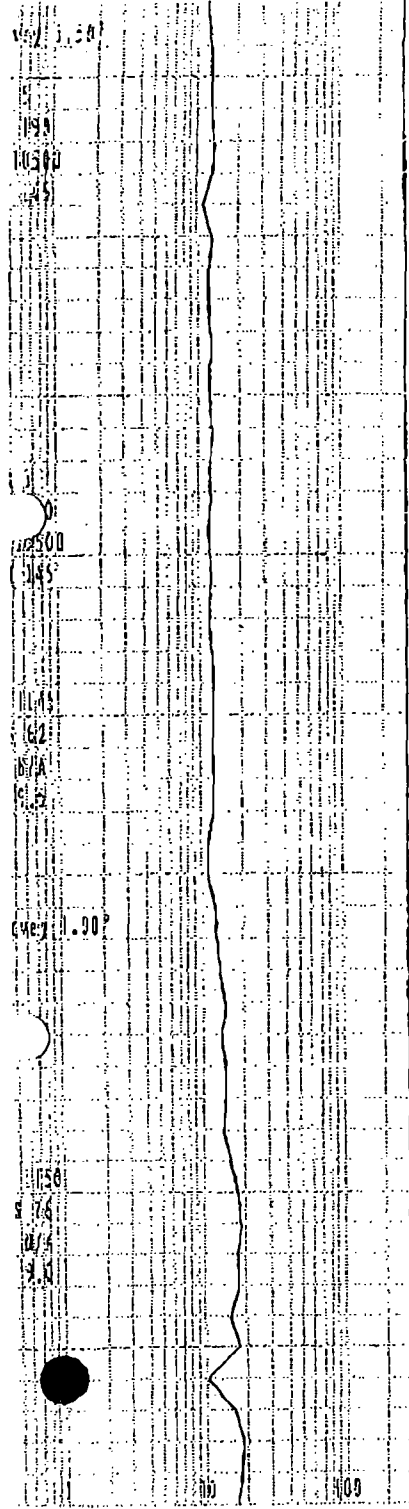
DEPTH @ 06:00 HRS : 501 m FORMATION @ 06:00 HRS : LEPINE FORMATION
COMMENTS :

STRATIGRAPHY

FORMATION TOPS	SAMPLE (m KB)	PROGNOSED (m KB)
LEPINE FORMATION	406.40	406.30

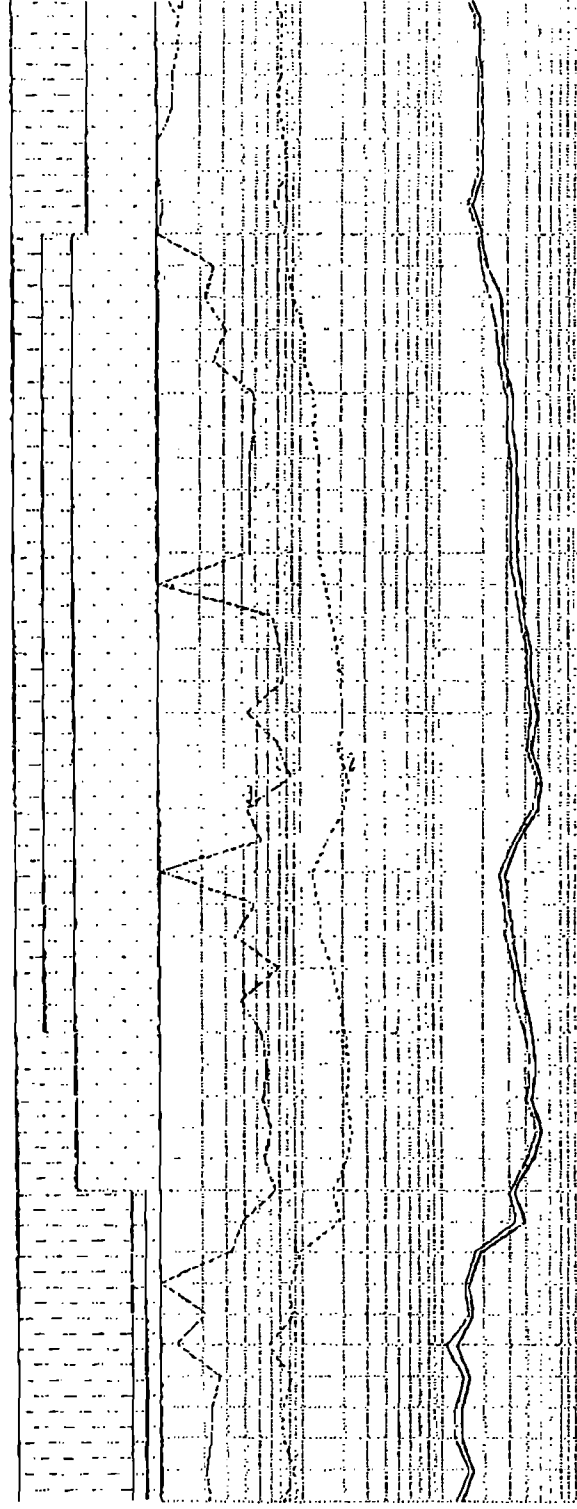
REMARKS : GOOD MORNING PAUL, WE HAVE COMPLETED PRESSURE TESTS AND ARE
PREPARING DIRECTIONAL TOOLS. SLOW GOING, BUT EXPECT TO BE UNDERWAY LATER
THIS MORNING.

REGARDS
JIM LOADER

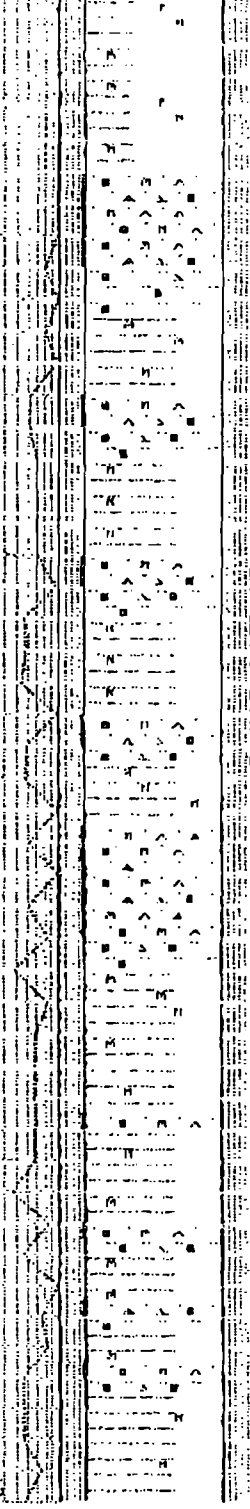


475

503



TRIP TO R.R. SURFACE CASTLE



SS-off wh-lt brn ss, s & p vlt gr, use 1-2
gr qtz, sb ang-ang, 7 str, n cons, sil opt,
glau n shows abt; chl;

SH-dk gy-blk sc fis-fis, spinty ip, 7 hd, nica,
mica;

SS-off wh-lt brn gy, s & p vlt gr, use 1-2
gr qtz, sb ang-ang, 7 str, n cons, sil opt,
glau n shows abt; chl; nica; nica; nica;

SLT-wh-lt gy, lt grn gy ip mas-ltgy, nica ip,
n sil, lt n shows; SH-dk gy-blk sc fis-fis,
spinty ip, n hd, nica;

SS-off wh-lt brn gy, s & p vlt gr, use 1-2
gr qtz, sb ang-ang, 7 str, n cons, sil opt,
glau n shows;

SLT-wh-lt gy, lt grn gy ip mas-ltgy, nica ip,
n sil, lt n shows; SH-dk gy-blk sc fis-fis,
spinty ip, n hd, nica;

SS-off wh-lt brn gy, s & p vlt gr, use 1-2
gr qtz, sb ang-ang, 7 str, n cons, sil opt,
glau n shows abt; chl; nica; nica; nica;

SLT-wh-lt gy, lt grn gy ip mas-ltgy, nica ip,
n sil, lt n shows; SH-dk gy-blk sc fis-fis,
sb blk, n hd, nica;

SH-dk gy-blk sc fis-fis, sb blk, n hd, nica,
mica;

DEC-18-00 12:37 PM

P. 01

REC'D/RECEIVED

18-12-2000

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

DAILY GEOLOGICAL REPORT

REPORT : 05
DATE : DEC 18, 2000

TO : PARAMOUNT RESOURCES LTD.
ATTN: PAUL PRICE
FAX: 1-403-266-6032

WELL INFORMATION

WELL NAME : PARAMOUNT et al FORT LIARD NWT N-01
LOCATION : N-01-60-10-123-15
RIG : PRECISION # 379
SPUD DATE : DEC 12, 2000
DAYS FROM SPUD : 06

DRILLING INFORMATION

KB : 491.20 m AMSL (EST)
GL : 486.20 m AMSL
HOLE SIZE : 311 mm
CASING : OH
BIT : #2 SMITH SDGH 311mm
HOURS DRILLING : 41.75 hrs
DRILLING MODE : ROTARY
AVERAGE ROP : 0 m/hr

DRILLING MUD PROPERTIES

TYPE : GEL-CHEM WT : 1150 VIS : 81 WL : N/A PH : 9.0

OPERATIONS SUMMARY (00:00-24:00 HRS)

MIDNIGHT DEPTH : 501 m PROGRESS : 0 m
COMMENTS : WIPER TRIP, RUN CASING AND CEMENT. WAITING ON CEMENT

DEPTH @ 06:00 HRS : 501 m FORMATION @ 06:00 HRS : LEPINE FORMATION
COMMENTS :

STRATIGRAPHY

FORMATION TOPS	SAMPLE (m KB)	PROGNOSED (m KB)
LEPINE FORMATION	406.40	406.30

REMARKS : GOOD MORNING PAUL. PRESENTLY, WE ARE WAITING ON CEMENT BUT
EXPECT TO BE DRILLING AHEAD BY THIS EVENING.

REGARDS
JIM LOADER

DEC-18-00 12:38 PM

P.02

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): WILBERT CALAHOO
GEOLOGIST(S): GARY JOHANSSON
ANALYST(S): JIM LOADER

REPORT NO.: 08
DATE: DEC 18, 2000
DEPTH @ REPORT: 501 m
24HR. PROGRESS: 0 m
LAG (min) / SPM: 20.4 / 145

MUD PROPERTIES : DEN 1150 Kg/m3; VIS 81 sec/L; WL N/A; pH 9.0
DRILLING PARAMETERS : RPM 0; FOB 0; PP 0; SPM 0
RIG STATUS AT 06:00 hrs: WIPER TRIP, RUN CASING AND CEMENT. WAITING ON CEMENT.

SUMMARY OF GASES

BACKGROUND GAS: 0

NO SIGNIFICANT FORMATION GAS PEAKS PRESENT

PRODUCED GASES: TYPE PEAK / BKGD / TIME PUMPS OFF / DEPTH

NOTE: NO SIGNIFICANT PRODUCED GAS PEAKS PRESENT.

COMMENTS : ALL EQUIPMENT WORKING NORMALLY. RIG POWER FLUCUATIONS ARE FREQUENT BUT TOOL PUSH ASSURES ME WE WILL BE USING THE LARGER GENERATOR AFTER CASING IS RUN, THEREFORE SUPPLYING A MORE STABLE POWER SOURCE.

ABBREVIATIONS

CG - Connection Gas
SG - Survey Gas
TG - Trip Gas
SDG - Shut Down Gas

RTG - Recycled Trip Gas
FCG - Flow Check Gas
WTG - Wiper Trip Gas
DGP - Drilled Gas Peak

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

WELL NAME: PARA et al FORT LIARD

UNIQUE I.D. EL 381

LOCATION: N - 01

WELL LICENCE WID 1902

SUPERVISOR: AL IRONSIDE

CELLULAR #: 403 - 861 - 3845

SPUD DATE: 12-12-2000

R.R. DATE:

CONTRACTOR: PRECISION DRLG. RIG # 379

A.F.E. #: 00N010054 EST. T.D 2100

DAILY COST: \$37,651

CUM. COST: \$399,951

DAILY MUD:

CUM MUD:

DAY: 5 REP DATE: 12-17-00 STATUS 08:00 P.O.O.H. TO RUN CASING

DEPTH: 500.75 PROG. 79.75 KB: 5.10 GL: 487.00 MACP:

SURVEYS: 1.5 @ 454m. / 1 @ 482m. / 1 @ 493m.

MUD TYPE: GEL/CHEM WT: 2100 VISC: 81 WL: N/C FC: PH: 9

ADDITIVES:

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
2A	700878	311	S.T.	SDGH	2x15+0	501	210	41.75	4-1-IN	4-6000	170-190

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
NATIONAL	P-Z8	165	203	100	1.181	10500			
NATIONAL	DA-500	152	406	45	0.531	10500			

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT	311		0.30
B/S	196	73	0.92
2 - DRILL COLLARS	196	73	17.82
X/O SUB	184	73	0.48
12 - DRILL COLLARS	172	52	109.78
X/O SUB	164	52	0.46
30 HEVI-WEIGHT PIPE	114	80	279.16
KELLY			
TOTAL			408.92

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:		LOGGING:	
RIG SERVICE:	0.50	CEMENT:	
SURVEY:	1.25	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	11.00	DST:	
DRILL OUT:		TRIP:	8.75
CIRCULATE:	2.50	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	

CASING SUMMARY

RAN	JTS OF	244.5 MM,	53.57 KG/M,	J-55	SURFACE CASING.
LANDED AT	500.75 MKB.	TOTAL LENGTH	501.24 METERS.		
CEMENTED WITH					
PLUG DOWN AT					

TOTAL HOURS: 24.00

HRS. ON WITH M3 CEMENT RETURNS.

REMARKS: DRILL 311mm. SURFACE HOLE FROM 421m. TO 500.75m. & SURVEYING.
 CIRCULATE & CONDITION MUD FOR RUNNING SURFACE CASING - SURVEY @ 493m. - 1 DEG.
 BLOW KELLY AND MAKE A WIPER TRIP - MEASURE PIPE - NO CORRECTION - HOLE FAIR.
 CHECK BIT AND TRIP BACK IN WORKING BRIDGES.
 CIRCULATE & CONDITION MUD, 5.0m. OF FILL, VISCOSITY @ 81.
 BLOW KELLY AND TRIP OUT TO RUN SURFACE CASING, LAYING DOWN 8 INCH COLLARS.

PARAMOUNT RESOURCES LTD.
RUNNING AND CEMENTING

SURFACE CASING

O.D.: 244.5 MMWELL NAME: PARA et al FT. LIARDLOC: N - 01DATE: 12-17-00K.B. ELEVATION 5.10CSG. FLG 5.00TOTAL DEPTH (DRILLER) 500.78

HOLE SIZE	311mm.		
DEPTH M	500.78		

CSG IN HOLE	244.5		
DEPTH SET	500.78		

MUD TYPE: GEL/CHEMWT: 1150 KG/M3VISC: 81WL: N/CBOP'S DIVERTER SYSTEM**RUNNING**POWER TONGS PREMIER TORQUE: MAX: 5660 NM NOM 4530 NM MIN 3400TIME PIPE START: 9:15 TIME ON BOTTOM 14:30 TIME CIRCULATED 14:30FILL UP POINTS: 3-8-15-25-30-40 BOTTOM BY CSG 500.75 UP FROM KB: 0.24

REMARKS:

CEMENTINGCEMENT CO: B.J. SERVICESOPERATOR: DENNIS BELLAR. TIME: 1:00TYPES & QUANTITY OF CEMENT: 27 TONNES OF 0:1:0 CLASS "G" OILWELL + 1 % CaCl.HEIGHT TO BE CEMENTED 498.14mFLUSH: 3.0 m3. WATERMIX TIME: START: 17:38FIN: 18:27WT: 1900CALCULATED DISP 20.05MEASURED DISP. 20START: 18:27FIN: 19:32DISPLACING FLUID WATERMAX. PRESS 5,000BUMP W/ 8000CEMENT RETURNS 10.5m3.FLOAT HELDWORKED CSG WHILE CMT 10m.

REMARKS:

LANDING

TIME LANDED:

DATE:

WT. STRING (LESS BLOCKS) daN

WT. LANDED IN SLIPS:

daN

BOWL:

SIZE:

SERIES

SLIP & SEAL ASS:

REMARK:

AGENT OF OPERATOR: AL IRONSIDE.

RUN & CMT SFC

O.D.: 244.5 MM

DATE: 12-17-00

REMARKS:

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

Para et al Fort Liard
UNIQUE I.D. 60 - 10 & 123 - 15

LOCATION: N - 01
WELL LICENCE WID - 1902

SUPERVISOR: Wilbert Callihoo
CELLULAR #: 780-940-8655
SPUD DATE: 12-12-2000-18:00 Hrs.

DAILY COST: 50500
CUM. COST: 362300
DAILY MUD: 1200
CUM MUD: 5400

R.R. DATE:
CONTRACTOR: Presco Drllg-Rig #379
A.F.E. #: 00N010054 EST. T.D. 2100M

WEATHER COND. _____

DAY: 4 REP DATE: 12-16-00 STATUS 08:00 Drill 311mm Hole at 456M
DEPTH: 421 PROG. 111 KB: 5.10M GL: 487.0M MACP:
SURVEYS: 1-1/4 at 334M, 3/4 at 352M, 2o at 380M, 1-3/4 at 399M

MUD TYPE: Gel-Chem WT: 1150 VISC: 57 WL: FC: PH: 9.0
ADDITIVES: 36 Sax Gel, 2 Sax Caustic, 8 Sax Sawdust

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
2A	700878	311mm	Smith	SDGH	2X15		130	23.5	RUN	4-6000	170-190
					Open						

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARD-DENVER	PZ-8	165	203mm	100	1.18m3	9800	44	47	58
CONT EMSCO	DA-500	152	406mm	45	1.08m3	9800			

B.H.A

	OD	ID	LENGTH
BIT -SMITH-SDGH	311		30
BIT SUB	196	73	.92
2 DRILL COLLARS	196	73	17.82
X/O SUB	184	73	.48
12 DRILL COLLARS	172	52	109.78
X/O SUB	164	52	.46
30 HEVI-WATE PIPE	114	80	279.16
KELLY			12.64
TOTAL			421.56

TIME DISTRIBUTION

RIG SERVICE: .75 RIG REP: .75
DRILL: 20.75 LOGGING:
SURVEY: 1.75 CEMENT:
CIRCULATE: WOC:
RUN CSG:
DST:
TRIP:

CASING SUMMARY

RAN _____ JTS OF _____ MM, _____ KG/M, _____ CASING.
LANDED AT _____ MKB. TOTAL LENGTH _____ METERS.
CEMENTED WITH _____
PLUG DOWN AT _____ HRS. ON _____ WITH _____ M3 CEMENT RETURNS.

Drilling Ahead 311.2mm Hole with No Great Problem-Deviation went out to 2o-Held Back on Weight and Control Drill-Penetration Rate holding at 5-6M /Hr.-Deviation Coming back in Slowly-Back to 1-3/4 at 399M and 1-1/2 at 430M-Running 1 Centrifuge and is Holding Mud Weight Down-Put all Surface Casing on Racks and will need 1 More Joint from Yard on Hill-Brought up Rest of Mud Products (Gel and Perma Seal) from Barge Landing-Have Sent out Former Standby Mud Pump and Replacement Pump has been Working Good to this Point-Weather this A.M. - Clear - Calm - Cold - Temp at -30oC.

DRILLING REPORT DAY

PARAMOUNT RESOURCES

PIPE TALLY

DATE: 12-16-2000

WELL NAME PARA 01 at FORT LIARD

LOCATION N-01

CONTRACTOR PRECISION DRLG. RIG # 379

PIPE DESCRIPTION 244.5 mm, 53.57 KG/M GRADE J-55 RANGE 3

CPLG LT&C THREAD 8 RND. MFG. IPSCO NEW OR USED NEW

TYPE OF STRING SURFACE TALLIED AL IRONSIDE. THREADS OFF

LENGTH		LENGTH		LENGTH		LENGTH		LENGTH		LENGTH	
1	4.00	21	11.38	41	13.28	61		81		101	
2	13.54	22	12.12	42	13.27	62		82		102	
3	13.02	23	10.80	43		63		83		103	
4	13.54	24	13.26	44		64		84		104	
5	12.80	25	12.64	45		65		85		105	
6	12.98	26	12.12	46		66		86		106	
7	13.02	27	10.40	47		67		87		107	
8	13.06	28	13.02	48		68		88		108	
9	13.52	29	13.26	49		69		89		109	
10	13.54	30	13.52	50		70		90		110	
TTL		TTL		TTL		TTL		TTL		TTL	
1-10	123.02	21-30	122.52	41-60	26.55	61-70		81-90		101-110	
11	13.52	31	12.80	51		71		91		111	
12	12.28	32	12.20	52		72		92		112	
13	13.04	33	13.52	53		73		93		113	
14	13.10	34	13.52	54		74		94		114	
15	10.60	35	12.62	55		75		95		115	
16	13.18	36	10.42	56		76		96		116	
17	13.52	37	13.52	57		77		97		117	
18	12.10	38	13.58	58		78		98		118	
19	13.54	39	13.52	59		79		99		119	
20	12.04	40	12.48	60		80		100		120	
TTL		TTL		TTL		TTL		TTL		TTL	
11-20	128.92	31-40	127.94	61-80		71-80		81-100		111-120	
TTL		TTL		TTL		TTL		TTL		TTL	
01-20	249.94	21-40	250.46	41-80	26.55	61-80		81-100		101-120	
TOTAL 1-20		249.94	PAGE 1 TOTAL			526.95	Shoe= 0.42 Float= 0.42 Shoe jt.= 4.84 TOTAL JOINTS ON LOCATION 42 REMARKS:				
TOTAL 21-40		250.46	LEFT OUT:								
TOTAL 41-60		26.55	FLOAT & SHOE		0.84						
TOTAL 61-80			GRAND TOTAL:		527.79						
TOTAL 81-100											
TOTAL 100-120											
TOTAL 1-120		526.95									
AGENT OF OPERATOR: AL IRONSIDE											

SFC TALLY

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

DAILY GEOLOGICAL REPORT

REPORT : 02
DATE : DEC 15, 2000

TO : PARAMOUNT RESOURCES LTD.
ATTN: PAUL PRICE
FAX: 1-403-266-6032

WELL INFORMATION

WELL NAME : PARAMOUNT et al FORT LIARD NWT N-01
LOCATION : N-01-60-10-123-15
RIG : PRECISION # 379
SPUD DATE : DEC 12, 2000
DAYS FROM SPUD : 03

DRILLING INFORMATION

KB : 491.20 m AMSL (EST)
GL : 486.20 m AMSL
HOLE SIZE : 311 mm
CASING : OH
BIT : #2 SMITH SDGH 311mm
HOURS DRILLING : 2.75 hrs
DRILLING MODE : ROTARY
AVERAGE ROP : 15 m/hr

DRILLING MUD PROPERTIES

TYPE : GEL-CHEM WT : 1170 VIS : 54 WL : N/A PH : 8.5

OPERATIONS SUMMARY (00:00-24:00 HRS)

MIDNIGHT DEPTH : 312 m PROGRESS : 127 m
COMMENTS : PEN RATE FROM 185m TO 224m WAS 12m/hr, 224m TO 275m WAS 17m/hr,
275m TO 312m WAS 12m/hr. TRIP FOR BIT, DRILLING AHEAD

DEPTH @ 06:00 HRS : 339 m FORMATION @ 06:00 HRS : SIKANNI FORMATION
COMMENTS : TOP FOR SIKANNI WAS PICKED AT THE DRILL BREAK AT 241.6m. AT THIS
POINT THERE WAS A LITHOLOGY CHANGE TO A SS VF GR, S & P, LT GRN GY, GLAUC.

STRATIGRAPHY

FORMATION TOPS	SAMPLE (m KB)	PROGNOSED (m KB)
SULLY FORMATION	177.80	181.30
SIKANNI FORMATION	241.60	241.30

REMARKS : GOOD MORNING PAUL. DRILLING IS PROCEEDING WITH NO MAJOR
DIFFICULTIES. IT HAS BEEN QUITE BUSY FOR MYSELF DOING BOTH JOBS AT THESE
DRILLING SPEEDS, BUT I AM COPING. MY MTI UNIT IS LOCKING OUT ON ME AND I HAVE
BEEN IN CONSTANT CONTACT WITH THE OFFICE TO SOLVE THE PROBLEM. HOPEFULLY IT
WILL BE SOLVED SOON.

REGARDS
JIM LOADER

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): WILBERT CALAHOO
GEOLOGIST(S): GARY JOHANSSON
ANALYST(S): JIM LOADER

REPORT NO.: 05
DATE: DEC 15, 2000
DEPTH & REPORT: 339 m
24HR. PROGRESS: 107 m
LAG (min) / SPM: 14.6 / 145

MUD PROPERTIES : DEN 1170 Kg/m3; VIS 54 sec/L; WL N/A; pH 8.5
DRILLING PARAMETERS : RPM 180 ; FOB 8; PP 9800 ; SPM 145
RIG STATUS AT 06:00 hrs: TRIP FOR BIT (4.75hrs ELAP. TIME). DRILLING AHEAD

SUMMARY OF GASES

BACKGROUND GAS: 3 - 20 UNITS FROM 232 m TO 339 m
NO SIGNIFICANT FORMATION GAS PEAKS PRESENT

PRODUCED GASES: TYPE PEAK / BKGD / TIME PUMPS OFF / DEPTH

NOTE: NO SIGNIFICANT PRODUCED GAS PEAKS PRESENT.

COMMENTS : MTI UNIT IS LOCKING UP, WORKING WITH OFFICE TO SOLVE THE PROBLEM
AS SOON AS POSSIBLE.

ABBREVIATIONS

CG - Connection Gas
SG - Survey Gas
TG - Trip Gas
SDG - Shut Down Gas

RTG - Recycled Trip Gas
FCG - Flow Check Gas
WTG - Wiper Trip Gas
DGP - Drilled Gas Peak

WIA
RES 31100
GP-01

3.5
M 180
M 110

7.0039
18.72
12.81A
8.10

Survey 8.5

WT 105g
VIS 60
WL 8.1A
PK 10.1

Date 12/13/00

WOB 10
SPN 180
PP 1500
SPN 175

25

NO DATA UNTIL 15 METERS

UGL-varicol, wh-fros-clr gracial till
(granite, chert, dolomite, uncongl
sandstone, shale);

UGL-varicol, wh-fros-clr gracial till
(granite, chert, dolomite, uncongl
sandstone, shale);

UGL-varicol, wh-fros-clr gracial till
(granite, chert, dolomite, uncongl
sandstone, shale);

UGL-varicol, wh-fros-clr gracial till
(granite, chert, dolomite, uncongl
sandstone, shale);

UGL-varicol, wh-fros-clr gracial till
(granite, chert, dolomite, uncongl
sandstone, shale);

UGL-varicol, wh-fros-clr gracial till
(granite, chert, dolomite, uncongl
sandstone, shale);

UGL-wh-fros-clr qtz m-c gr, uncongl, p srt, s
rd-w rd, sil cnt, glauc; SH-w-dk gy-blk,
bky-sb plty, m hd, mic mica, sl calc, coaly
lam bky-sb plty, m hd, mic mica, sl calc,
alt, occ coaly lam;

UGL-wh-fros-clr qtz m-c gr, uncongl, p srt, s
rd-w rd, sil cnt, glauc; SS-fros-clr qtz m-c
gr, uncongl, sb rd-w rd, sil cnt n shows;

SS-fros-clr qtz f-m gr, uncongl, sb rd-w rd,
sil cnt, sid mod n shows; SH-w-dk gy-blk,
bky-sb plty, m hd, mic mica, sl calc, coal
lam bky-sb plty, m hd, mic mica, sl calc,
sily, occ coaly lam;

SS-off wh-wh, fros-clr f-m gr, sb rd-w rd, oc
v rd, m srt, uncongl, sil, glauc, sid pels n
mod n shows; SH-lt-dk gy bky, sb plty ip,
sily, wxy ip, mica, sid lam, coaly incls;

WT 1110
VIS 52
VL M/A
PH 10
Survey 0.25!

WT 1150
VIS 60
VL M/A
PH 10

WT 1175
VIS 70
VL M/A
PH 10

Survey 0.45!

RX 8
RPM 100
PP 1200
SPM 110

v rd, w srt, uncons, sil, glauc, 3/4 pels
nod n shows; SH-it-ak gy silty, sb pily ip.
sil, wxy ip, mica, sil, con, coaly incis;

SS-off wh-wh, fros-clr f-w gr, sb rd-rd, c
w rd, w srt, uncons, sil, glauc, 3/4 pels
nod n shows; SH-it-ak gy biky, sb pily ip
sil, wxy ip, mica, sil lam, coaly incis;

SS-off wh-wh, fros-clr w-c gr, sb ang-sb
w srt, uncons, sil, glauc, sil pels & nod
shows; SH-it-ak gy biky, sb pily ip, w sil
wxy ip, mica, sil lam, coaly incis;

SS-off wh-wh, fros-clr f gr, sb ang-sb r
srt, uncons, sil, glauc, sil pels & nod
shows; SH-it-ak gy biky, sb pily ip, w s
wxy ip, mica, sil lam, coaly incis;

SS-wh-fros-clr, and, vi-w gr, shg-sb rd
srt, uncons, sil, sil pels & conc n sho
SH-yel brn-lt gy, dk gy ip biky, sb pily
n sil, mica, silty lam;

SS-off wh-it brn, fros-clr, ssp ip w-c
ang-sb rd, p srt, uncons, sil, sil pels
conc, thin silty lam n shows; SH-ak gy-
pily, w hd, mica, silty lam;

SS-off wh-lt brn, fros-clr, ssp ip w-c
ang-sb rd, p srt, uncons, sil, sil pels
conc, thin silty lam n shows; SH-ak gy-
pily, w hd, mica, silty lam;

SS-off wh-lt brn, fros-clr, ssp ip f-
ang-sb rd, p srt, uncons, sil, sil pels
conc, thin silty lam n shows; SH-ak gy-
pily, w hd, mica, silty lam, calc frs;

SS-off wh-lt brn, fros-clr, ssp ip f-
ang-sb rd, p srt, uncons, sil, sil pels
conc, thin silty lam n shows; SH-ak gy-
pily, w hd, mica, silty lam, calc frs;

SS-wh-fros-clr, ssp ip f-m gr, sb r
p srt, uncons, sil, kao, qtz, calc
SH-ak gy-bn clay, hl, mic, mica, sil
coaly int parts;

Survey 0.00'

WT 1150
VIS 51
WL M/A
PH 9.5

WT 1170
VIS 52
WL M/A
PH 9.0

WT 1180
VIS 52
WL M/A
PH 9.0

WT 1190
VIS 59
WL M/A
PH 8.5

Survey 0.50'

125

p srt, uncons, sil, kao, qtz vls in snow
SH-dk gy-blk blk, hd, mic mica, silty lam,
coaly intlam;

SS-wh-fros-clr, sh ip i-m gr, sh ing-sh
p srt, uncons, sil, kao, qtz vls in snow
SH-dk gy-blk blk, hd, mic mica, silty lam
coaly intlam;

SS-s & p, wh-lt gy, fros-clr, and qtz
gr, sh rd, w srt, uncons, sil, kao, qtz
n shows; SH-dk gy-blk blk, hd, mic mica
silty lam, coaly intlam;

SS-s & p, wh-lt gy, fros-clr, and qtz
gr, sh rd, w srt, uncons, sil, kao, qtz
n shows; SH-dk gy-blk blk, hd, mic mica
silty lam, coaly intlam;

SS-s & p, wh-lt gy-clr i-m gr, sh rd, w
p cons, sil/sil calc cnt, kao, thn silty
shows; SH-dk gy-blk blk, hd, mic mica,
lrm, coaly intlam;

SS-s & p, wh-lt gy-clr i-m gr, sh rd,
p cons, sil/sil calc cnt, kao, thn silty
shows; SH-lt grn gy n no, mic mica, s
sl calc, sdy, carb flecks; SH-lt gy n
calc, mic mica, arg, sl silty;

SH-lt grn gy n hd, mic mica, sl arg,
sdy, carb flecks; SS-s & p, wh-lt gy
gr, sh rd, w srt, p cons, sil/sil calc
kao, thn silty lam n shows; SH-lt gy n
calc, mic mica, arg, sl silty;

SH-lt grn gy n hd, mic mica, sl arg,
sdy, carb flecks; SS-s & p, wh-lt gy
gr, sh rd, w srt, p cons, sil/sil calc
kao, thn silty lam n shows; SH-lt gy
calc, mic mica, arg, sl silty;

SS-ls-ph, abd, off wh, fros-clr i-m
rd-rd, w srt, uncons, sil, kao, qtz
shows; SH-lt gy n srt, sil calc, mic
sl silty;

SS-ls-ph, abd, off wh, fros-clr i-m
rd-rd, w srt, uncons, sil, kao, qtz
shows; SH-lt gy n srt, sil calc, mic
sl silty;

DEL-15-00 09:51 AM

P. 01

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

Para et al Fort Liard
UNIQUE I.D. 60-10 & 123-15

LOCATION: N - 01
WELL LICENCE WTD - 1902

SUPERVISOR: Wilbert Callihoo
CELLULAR #: 780-940-8655
SPUD DATE: 12-12-2000-18:00 Hrs.
R.R. DATE:
CONTRACTOR: Precn Drlg-Rig #379
A.F.E. #: 00N010054 EST.T.D 2100M

DAILY COST: 45600
CUM. COST: 311800
DAILY MUD: 1400
CUM MUD: 4200

DAY: 3 REP DATE: 12-15-00 STATUS 08:00 Control Drill 311 at 348M
DEPTH: 310 PROG. 121 KB: 5.10M GL: 487.0M MACP:
SURVEYS: 1/2 at 189M - 3/4 at 224M - 1/2 at 248M - 1 at 278M - 1 at 310M

MUD TYPE: Gel-Chem WT: 1170 VISC: 54 WL: FC: PH: 9.0
ADDITIVES: 50 Sax Gel - 1 Sack Caustic

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
1A	L71DM	311mm	Hughes	GT-C1	3X15	291	291	35.25	4-6-In	10-12000	160-180
2A	SDGH	311mm	Smith	SDGH	2X15		19	2.75	RUN	6-8000	180
				OPEN							

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
Gard-Denver	PZ-8	165	203mm	100	1.18	9800	44	42	58
Cont-Emsco	DA-500	152	406mm	45	1.08				

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT	311mm		.30
B/S	202mm	73	.92
200MM DC	196mm	73	17.82
X/O	184mm	73	.48
X/O	164mm	52	.46
12 DC	172mm	52	09.80
18 Hevi-Wate	114mm	80	167.60
KELLY			12.62
TOTAL			310.00

TIME DISTRIBUTION

MOVE/RIG-UP		RIG REP:	
DRILL MH & RH:	14.0	LOGGING:	
RIG SERVICE:	.50	CEMENT:	
SURVEY:	2.00	WOC:	
PRESSURE TEST:		RUN CSG:	
DRILL:	14.0	DST:	
DRILL OUT:		TRIP:	7.25
CIRCULATE:	.25	L.D.D.S.:	
NIPPLE UP BOP:		REAM:	

CASING SUMMARY

RAN	JTS OF	MM,	KG/M,	CASING.
LANDED AT	MKB.	TOTAL LENGTH	METERS.	
CEMENTED WITH				
PLUG DOWN AT	HRS. ON	WITH	M3 CEMENT RETURNS.	

Drill Ahead 311.2mm Hole-Penetration Rate and Deviation both O.K.-Start to have Deviation Going out at 278M to 10 - Drill to 291M and Penetration Rate started to Slow Down - Circ to Clean Hole-Blow Kelly and MudLines and Pull out of Hole-Came out O.K. up to 170M-Hole got Tight-Put on Kelly Circ and Work up thru Tight Hole-Had Drilled this Section of Hole with 1 Pump while Rigging in Second Pump-Run back in Hole with No Problems-Drill ahead-Deviation still Holding at 10 and since Midnite has went out to 1.25 at 330M-Got 1 Centrifuge Running-Put Water in Sump for Water Drilling

Weather this A.M. - Overcast - Calm - Cold - Temp at -32oC.

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

Para et al Fort Liard
UNIQUE I.D. 60-10 & 123-15

LOCATION: N-01
WELL LICENCE WID-1902

SUPERVISOR: Wilbert Callihoo
CELLULAR #: 780-940-8655
SPUD DATE: 12-12-2000-18:00 Hrs.
R.R. DATE:
CONTRACTOR: Procn Drllg - Rig #379
A.F.E. #: 00N010054 EST.T.D 2100M

DAILY COST: 26700
CUM. COST: 266200
DAILY MUD: 1600
CUM MUD: 2800

WEATHER COND.

DAY: 2 REP DATE: 12-14-00 STATUS 08:00 Drill 311mm Hole - 250M
DEPTH: 189 PROG. 148 KB: 5.10M GL: 487.0M MACP:
SURVEYS: 1/4 at 59M. 3/4 at 85M. 0 at 102M. 1/2 at 140M. 3/4 at 168M

MUD TYPE: Gel-Chem WT: 1200 VISC: 53 WL: FC: PH: 8.0
ADDITIVES: 56 Sax Gel, 20 Liters Drilling Detergent

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
1A	L71DM	311mm	Hughes	GT-C1	3X15		189	24	RUN	6-10000	100-180

PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
Gard-Denver	PZ-8	165	203mm	125	1.42	3800	32	22	40
Cont-Emsco	D-500								

B.H.A

	OD	ID	LENGTH
BIT	311mm		30
BIT SUB	202	73	92
2-DCs	196	73	17.82
XO SUB	184	73	48
12 DCs	172	58	09.80
XO SUB	164	58	46
5-HEVI WATER	114	80	46.20
KELLY	114		12.64
TOTAL			189.02

CASING SUMMARY

RAN JTS OF MM,
LANDED AT MKB. TOTAL LENGTH
CEMENTED WITH
PLUG DOWN AT HRS. ON WITH

TIME DISTRIBUTION

RIG SERVICE: .50 RIG REP:
DRILL: 16.75 LOGGING:
SURVEY: 1.50 CEMENT:
CIRCULATE: WOC:
MUD RING 5.00 RUN CSG:
BOP DRILL .25 DST:
TRIP:

TOTAL HOURS: 24.00
KG/M, CASING.
METERS.

M3 CEMENT RETURNS.

Drill Ahead 311.2mm Surface Hole-Had to Clean out Mud Rings building up in Flow Line and Shaker Box - Took off Flow Line to Clean out-Add Drilling Detergent to Pipe on Connections and is Cleaning up Mud Ring Problem-Taking Surveys every 30M and Deviation is Holding O.K. so far-Got Last of Drill Pipe brought over from last Location-
Weather This A.M. - Overcast-West Wind at 15Kmh - Cold - Temp -26oC

DRILLING REPORT DAY

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

DAILY GEOLOGICAL REPORT

REPORT : 01
DATE : DEC 14, 2000

TO : PARAMOUNT RESOURCES LTD.
ATTN: PAUL PRICE
FAX: 1-403-266-6032

WELL INFORMATION

WELL NAME : PARAMOUNT et al FORT LIARD NWT N-01
LOCATION : N-01-60-10-123-15
RIG : PRECISION # 379
SPUD DATE : DEC 12, 2000
DAYS FROM SPUD : 02

DRILLING INFORMATION

KB : 491.20 m AMSL (EST)
GL : 486.20 m AMSL
HOLE SIZE : 311 mm
CASING : OH
BIT : #1A HUGHES 170GT-C1 311 mm
HOURS DRILLING : 24 hrs
DRILLING MODE : ROTORARY
AVERAGE ROP : 15 m/hr

DRILLING MUD PROPERTIES

TYPE : GEL-CHEM WT : 1200 VIS : 53 WL : N/A PH : 8.0

OPERATIONS SUMMARY (00:00-24:00 HRS)

MIDNIGHT DEPTH : 185 m PROGRESS : 144 m
COMMENTS : DRILLING 30 m/hr UNTIL 79 m, 15 m/hr FROM 80 m TO 185 m

DEPTH @ 06:00 HRS : 230 m FORMATION @ 06:00 HRS : SULLY FORMATION
COMMENTS : TOPS PICKED ON DRILL BREAKS AS SAMPLES ARE NOT TOO RELIABLE
AT THIS TIME, DRILLING AHEAD.

STRATIGRAPHY

FORMATION TOPS	SAMPLE (m KB)	PROGNOSED (m KB)
QUATERNARY	0.00	0.00
KOTANEELEE GROUP	36.40	31.30
DUNVEGAN FORMATION	44.40	46.30
SULLY FORMATION	177.80	181.30

REMARKS : SAMPLES SHOW A LITHOLOGY CHANGE FROM FINE GRAINED UNCONS. SS TO
A LIGHT COLORED SDY. SILTSTONE MARKING THE TOP OF THE SULLY FORMATION.

REGARDS
JIM LOADER

PARAMOUNT et al FORT LIARD NWT
60 00' 52.339" N / 123 15' 58.517" W

CONTINENTAL LABORATORIES (1985) LTD.
MORNING REPORT FORM

06:00 a.m. cut-off

WELL NAME: PARAMOUNT et al FORT LIARD NWT
LOCATION: N-01-60-10-123-15
DRILLING SUPERVISOR(S): WILBERT CALAHOO
GEOLOGIST(S): GARY JOHANSSON
ANALYST(S): JIM LOADER

REPORT NO.: 04
DATE: DEC 14, 2000
DEPTH @ REPORT: 232 m
24HR. PROGRESS: 163 m
LAG (min) / SPM: 12.7 / 145

MUD PROPERTIES : DEN 1170 Kg/m³; VIS 60 sec/L; WL N/A; pH 9.0
DRILLING PARAMETERS : RPM 180 ; FOB 14; PP 9300 ; SPM 145
RIG STATUS AT 06:00 hrs: DRILLING AHEAD

SUMMARY OF GASES

BACKGROUND GAS: 0 - 3 UNITS FROM 69 m TO 179 m
3 - 16 UNITS FROM 180 m TO 232 m

NOTE : COAL STRINGERS FROM DUNVEGAN FM.
416 PEAK UNITS

PRODUCED GASES: TYPE PEAK / BKGD / TIME PUMPS OFF / DEPTH

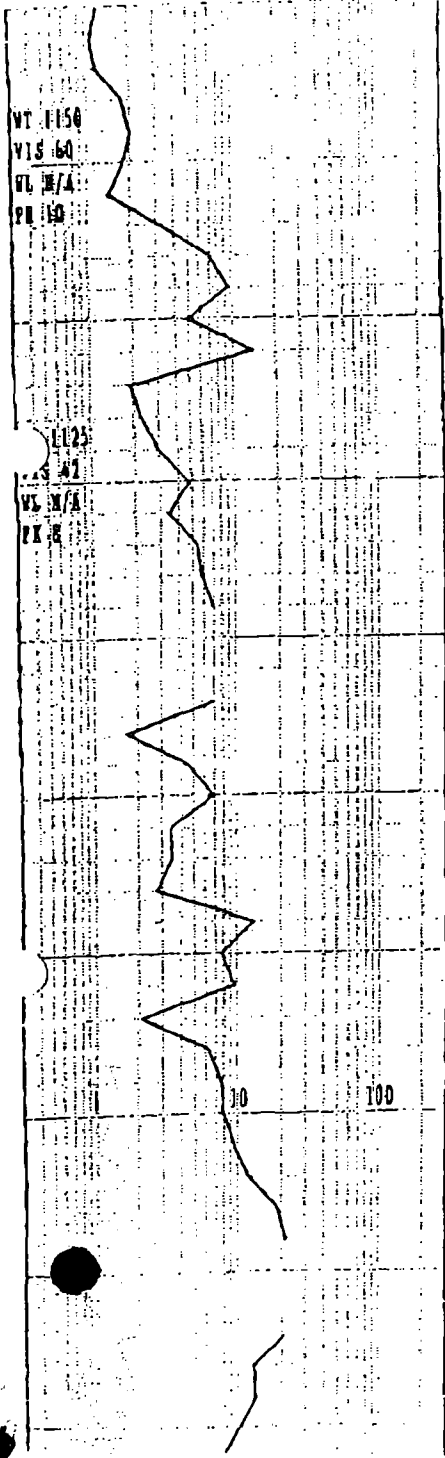
NOTE: NO SIGNIFICANT PRODUCED GAS PEAKS PRESENT.

ABBREVIATIONS

CG - Connection Gas
SG - Survey Gas
TG - Trip Gas
SDG - Shut Down Gas

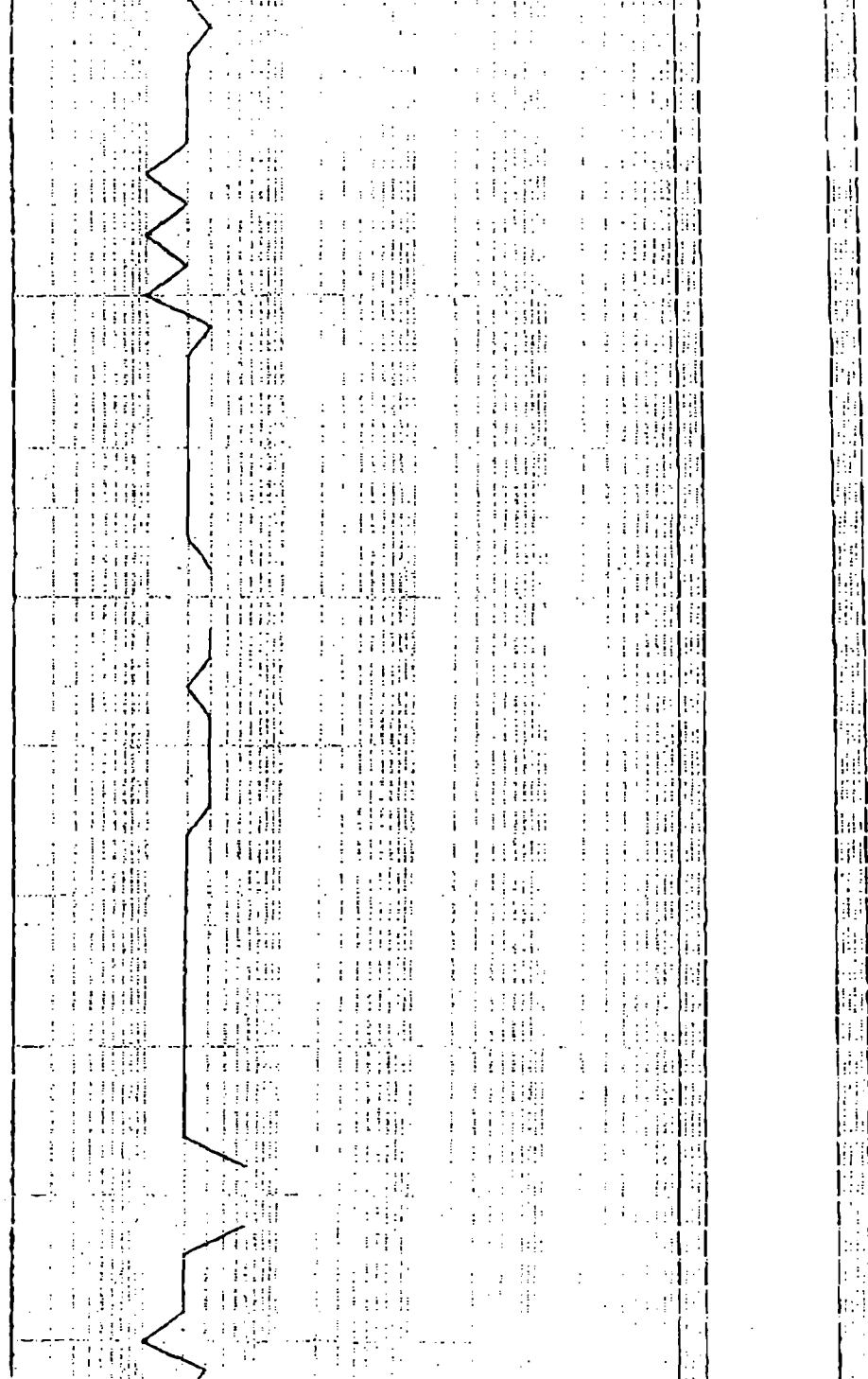
RTG - Recycled Trip Gas
FCG - Flow Check Gas
WTG - ~~Wiper Trip Gas~~
DGP - Drilled Gas Peak

17 00 07-40 00

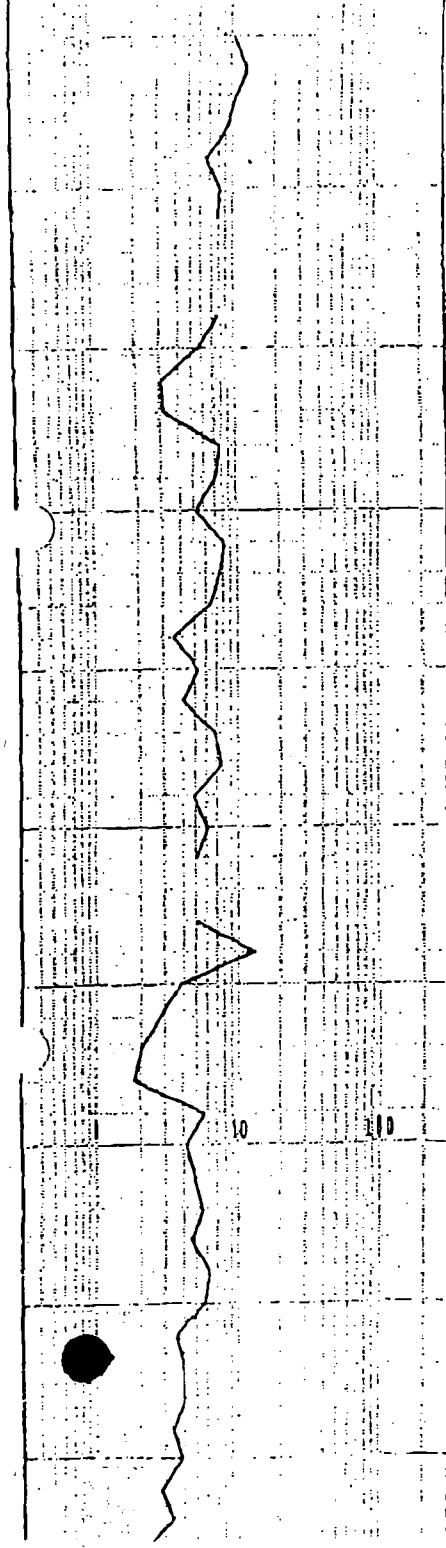


100

75

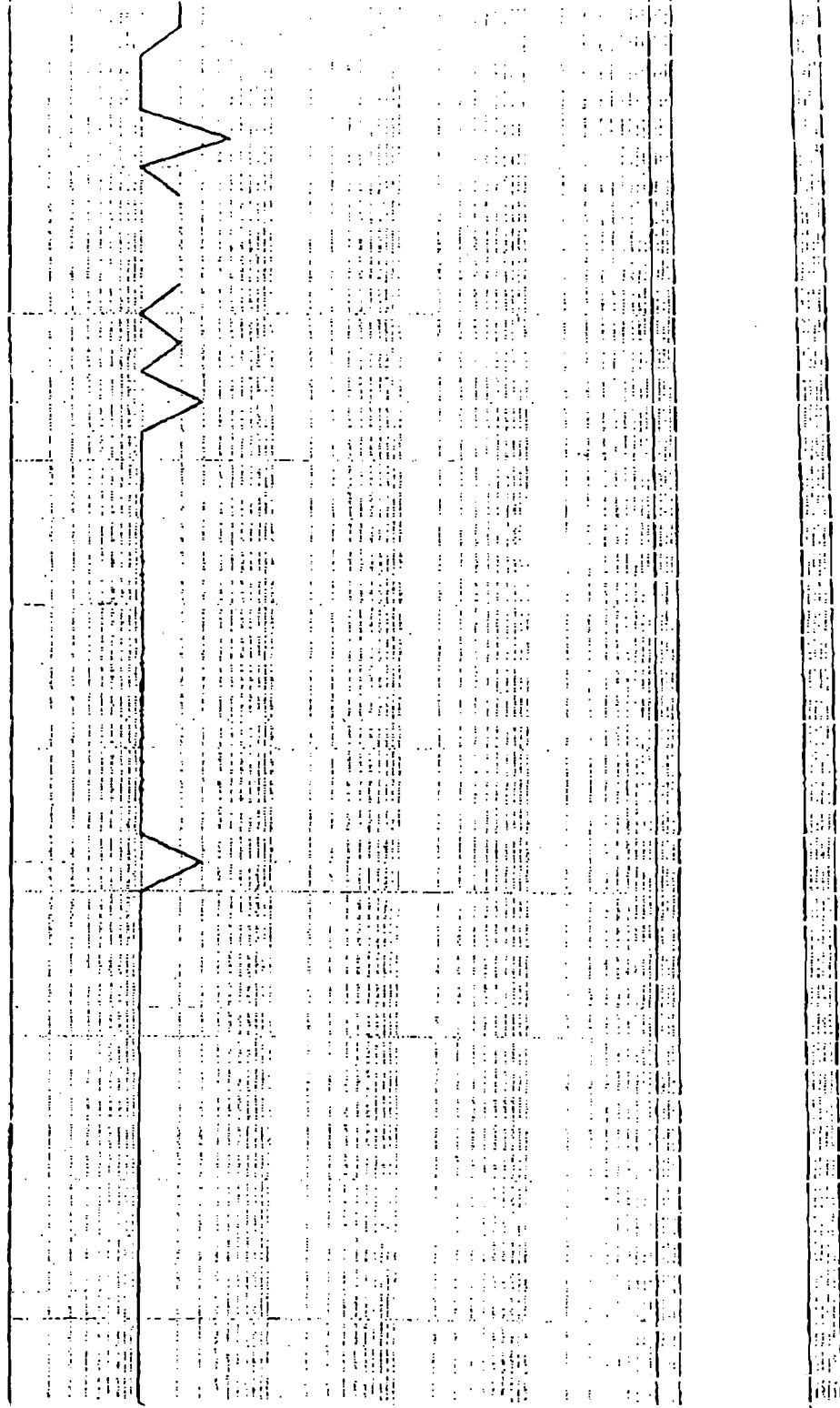


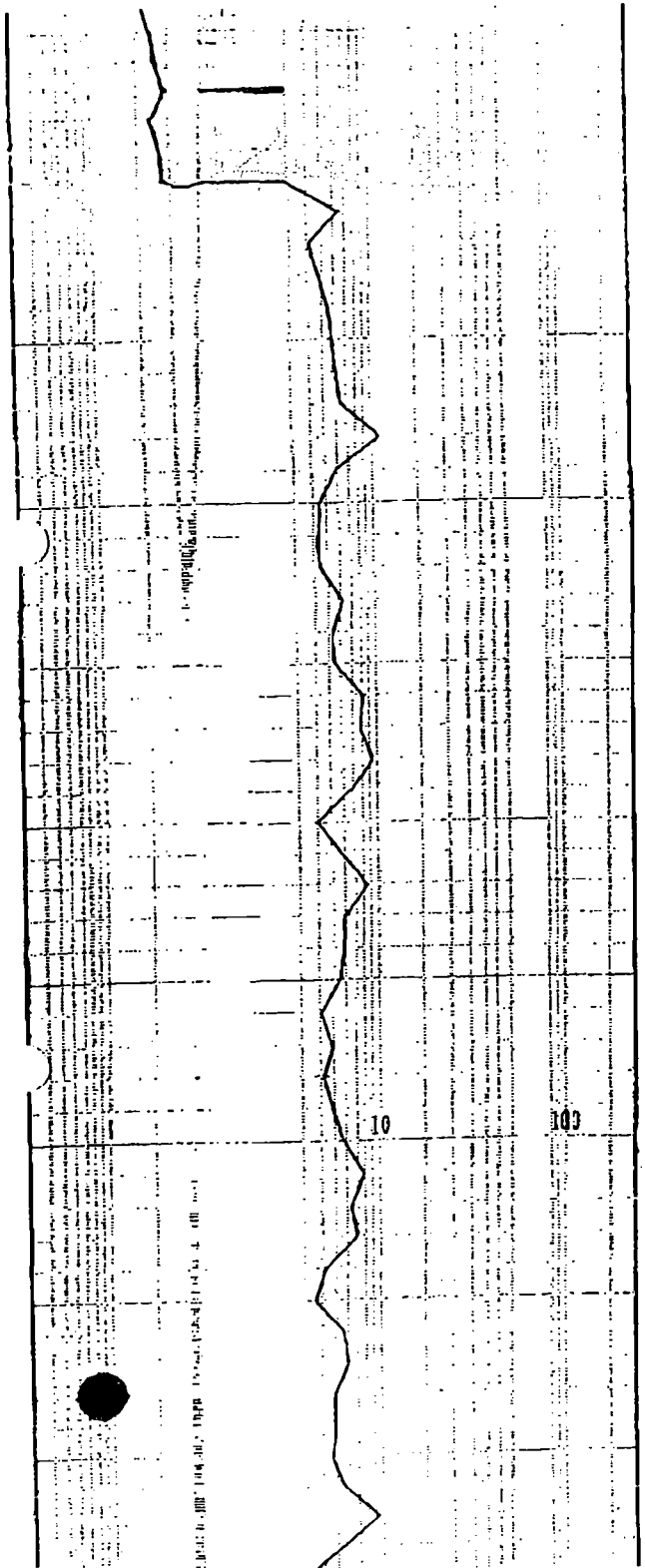
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150

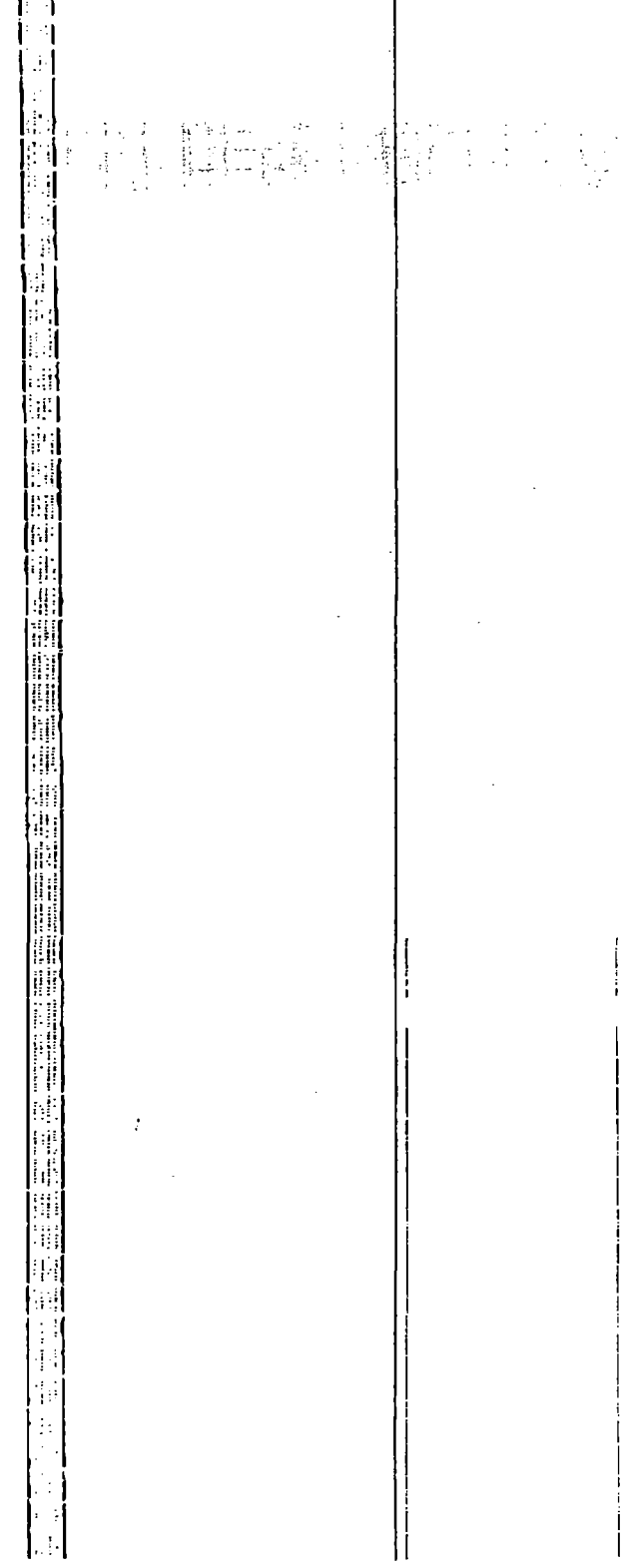
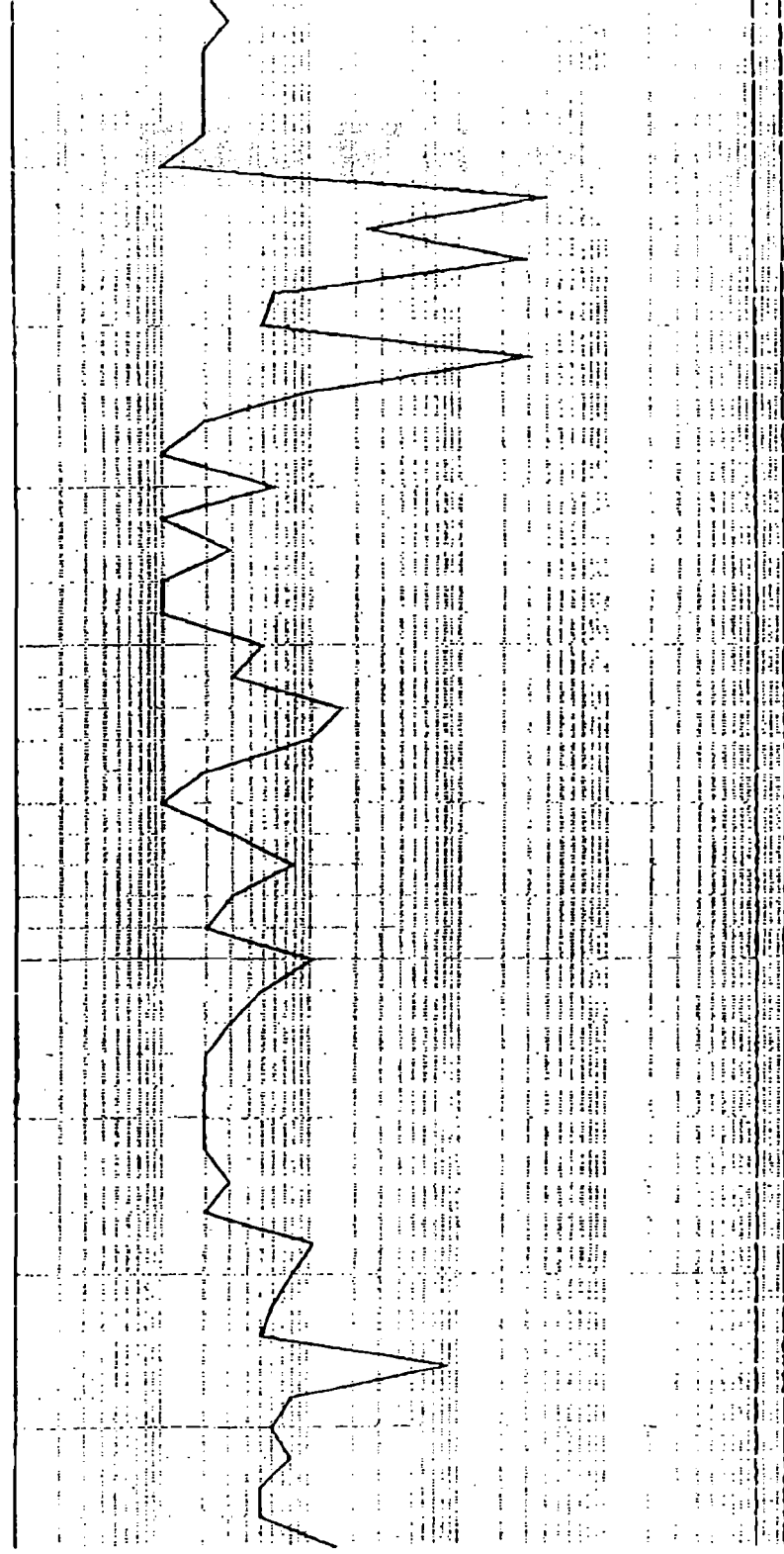
125





175

200



PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

Para et al Fort Liard
UNIQUE I.D. 60-10 & 123-15LOCATION: N-01
WELL LICENCESUPERVISOR: Wilbert Callihoo
CELLULAR #: 780-940-8655
SPUD DATE: 12-12-2000-18:00 Hrs.
R.R. DATE:
CONTRACTOR: Prec Drilg-Rig #379
A.F.E. #: 00N010054 EST.T.D 2100MDAILY COST: 32000
CUM. COST: 239500
DAILY MUD: 1000
CUM MUD: 1200DAY: 1 REP DATE: 12-13-00 STATUS 08:00 Drill Surf Hole at 78M
DEPTH: 41 PROG. 41 KB: 5.10M GL: 487.00 MACP:
SURVEYS: 1/20 at 30MMUD TYPE: Gel-Chem WT: 1050 VISC: 60 WL: FC: PH: 10.0
ADDITIVES: 35 Sax Gel - 2 Sax Caustic

BIT	SERIAL #	SIZE	MFG	TYPE	JETS	OUT	RUN	HRS	TBG	WEIGHT	RPM
1A	L71DM	311.2	Hughes	GT-C1	3X15		41	7.25	RUN	2-5000	120-180

PUMP	DESCR	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZEL VEL
GARD-DENVER	PZ-8	165	203mm	110	1.30	1200	28	20	36
CONT-EMSCO									

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH
BIT	311.2		30
BIS	202	73	92
228MM DC	196	73	17.82
X/O SUB	184	73	.48
X/O 1 Drill Collar	172	58	9.24
8DC X/O SUB	164	58	.46
KELLY			12.64
TOTAL			41.86

TIME DISTRIBUTION

MOVE/RIG-UP 16.50 RIG REP:
DRILL MH & RH: LOGGING:
RIG SERVICE: 25 CEMENT:
SURVEY: 25 WOC:
PRESSURE TEST: 25 RUN CSG:
DRILL: 7.25 DST:
DRILL OUT: TRIP:
CIRCULATE: L.D.D.S.:
NIPPLE UP BOP: REAM:

CASING SUMMARY

RAN JTS OF MM,
LANDED AT MKB. TOTAL LENGTH
CEMENTED WITH
PLUG DOWN AT HRS. ON WITHTOTAL HOURS: 24.00
KG/M, CASING.
METERS.

M3 CEMENT RETURNS.

Rigging up Rig while waiting on Approval to Drill-Haul over Mouse Hole from Last Location and Install-Make up BHA for Spud String-Held Pre-Spud Safety Meeting with Crew-Spud in and Drill 311.2mm Hole-Going along O.K. Brought Replacement Mud Pump across River-Put in Place and are Rigging in to Present Mud System-Have to Hook in all Lines for Steam-Fuel-Air and Water-Spot Cement Bin and Storage Fuel Tanks-Had Check from NEB Inspectors and they were Concerned about Drilling Contractors Records of Traveling Equipment Certifications along with Qualifications of Medic on Location-Will be Coming Back out on Thursday to check on Inspection Certifications Brought over Certifications from T-02 Location yesterday and Put in Place Overcast - Cool - Temp at -24oC. - K.B. - Ground 5.10M West Wind at 20 KM/H this A.M.

DRILLING REPORT