



22 September 2004

Mr. Dave Block
Engineering Consultant
Paramount Resources Ltd.
4700, 888-3rd Street SW
Calgary, AB T2P 5C5

Dear Mr. Block

**Paramount et al Liard M-25
Application to Alter Condition of a Well**

The application to Alter Condition of a Well, pursuant to section 83 of the *Canada Oil and Gas Drilling Regulations*, is approved for the well Paramount et al Liard M-25. Attached is the signed Application to Alter Condition of a Well form.

Any changes or deviation from the program will require the additional specific approval of the Chief Conservation Officer. Please be reminded that all oil and gas activities are, at minimum, to meet the requirements of the *Canada Oil and Gas Drilling Regulations*, the *Canada Oil and Gas Conservation and Production Regulations*, the *Oil and Gas Occupational Safety and Health Regulations* and the *Canada Labour Code, Part II*.

If you have any questions, please do not hesitate to contact Chris Knoechel at 299-3866.

Yours sincerely,

A handwritten signature in black ink, appearing to read "T. M. Baker".

T. M. Baker
Chief Conservation Officer

c.c. M. Fortier (DIAND)

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

444, Septième Avenue S.-O.
Calgary (Alberta) T2P 0X8

The official logo of the Government of Canada, featuring the word "Canada" in a stylized, bold font with a maple leaf graphic integrated into the letter "a".

Telephone/Téléphone : (403) 292-4800
Facsimile/Télécopieur : (403) 292-5503
<http://www.neb-one.gc.ca>

17 September 2004

Attachment
Application to Alter Condition of a Well
Paramount et al M-25

1. Please note that the UWI for this well is 300L266030123303 and not 300M256030123301. UWI's are based on the downhole co-ordinates of each well.
2. The well supervisor and the rig supervisor are to have a valid PITS well service blow out prevention. The entire crew are required to have valid H₂S Alive certificates. Note that PITS does not offer an H₂S Alert course (H₂S Alert is an abbreviated awareness course). Additionally, all rig personnel are to have H₂S Alive and WHIMIS with at least one personnel standard first aid.
3. The NEB incident phone is to be used in the event of a level 2 or 3 incident. That number is 403-807-9473.
4. On page 27 of program the value of 0.65% H₂S should read .065 H₂S.
5. The site specific ERP for M-25 stamp dated 1 September 2004 is approved.



APPROVAL TO ALTER CONDITION OF A WELL

This application is to be submitted to the Chief Conservation Officer at least 45 days before commencement of operations.

Well Name: Paramount et al Liard M-25

Area: Fort Liard, NWT

Operator: Paramount Resources Ltd.

Contractor: Concord Well Servicing Ltd.

Drilling Rig or Unit: Concord #6

Depth: 3770 mKB (3383 mTVD)

Surface Coordinates: Lat: 60° 24' 50.8"

Long: 123° 35' 12.5"

Date ADW Issued September 29, 1999

Date of last Operation: August 17, 2003

Elevation KB/RT: 917.8 m (ASL)

GL/SeaLevel: 910.6 m

TYPE OF OPERATION

To work over the well, installing a string of 114.3 mm tubing inside the existing 177.8 mm production tubing.

SUMMARY OF PROPOSED OPERATIONS (see the attached detailed program)

Remove the top section of the wellhead.

Install a second tubing spool to hang off the 114.3 mm tubing.

Install the BOP's.

Run a multarm caliper inside the 117.8 mm tubing.

Run a string of 114.3 mm tubing inside the 177.78 mm tubing.

Remove the BOP's and re-install the upper section of the wellhead.

Signed: Dave P.
Responsible Officer

Title: Engineering Consultant

Name: Dave Block

Company: Paramount Resources Ltd.

Date: September 7, 2004

Phone: (403) 206-3834

APPROVAL

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

Current Well Status
Suspended
Completed <input checked="" type="checkbox"/>
Abandoned

UWI: 300L266030123303

Signed: V. M. Baker
Chief Conservation Officer

Date: September 22/04

File: 9211-C004-1-3

WID: 1867