



File: WID #1980
30 September 2004

Dave Block
Paramount Resources Ltd.
4700 Bankers Hall West
888 – 3rd street SW
Calgary, AB T2P 5C5
Fax (403) 262-7994

Dear Mr. Block:

Approval to Alter the Condition of a Well for Liard 2K-29

Thank you for your submission of the program for the well Paramount et al Liard 2K-29 dated September 22, 2004. We have completed our review of the application and Approval to Alter the Condition of a Well is hereby granted for Liard 2K-29. A signed copy of the Approval to Alter the Condition of a Well form is attached.

Please be reminded that all oil and gas activities are, at a minimum, to meet the requirements of the *Canada Oil and Gas Drilling Regulations*, the *Canada Oil and Gas Production and Conservation 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 (403) 299-3866.

Yours sincerely,

T.M. Baker
Chief Conservation Officer

Attachments

c.c. M. Fortier - DIAND

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

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

Canada

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

Terms and Conditions of Approval

1. The Approval to Alter Condition of a Well form is to be displayed at a prominent place on the drill site as per section 103 of the *Canada Oil and Gas Drilling Regulations*. Also, copies of the *Canada Oil and Gas Drilling Regulations* as well as the *Oil and Gas Occupational Safety and Health Regulations* are to be kept at the drill site and available on request by any person on the drill site (section 102 of the *Canada Oil and Gas Drilling Regulations* and paragraph 125.(1)(e) of the *Canada Labour Code, Part II*, respectively).
2. Information to be submitted to the Chief Conservation Officer includes all logs run, and any pressure and temperature data collected.
3. Well suspension operations are required to meet the requirements of the *Canada Oil and Gas Drilling Regulations*. Upon program termination and well suspension a "Well Termination Record" is required to be submitted complete with a wellbore schematic.
4. Daily drilling reports are to be faxed by 8:30 am to the attention of the Chief Conservation Officer (fax number (403) 292-5876). Please contact Trena Barnes (phone number (403) 299-3192) should there be any difficulty in delivery of the daily drilling reports.
5. Please provide immediate copies of any log run as well as 2 copies of all final prints.
6. Please note sections 54 to 58 of the *Canada Oil and Gas Operations Act* which speaks of the powers of a Conservation Officer. Conservation Officers are normally trained in various industry oil and gas safety courses. Please note that while neither the Act nor regulations require a Conservation Officer to possess any industry safety courses to enter and inspect a drilling site, we ensure that our inspectors are fully trained and have all the requisite training to enter any site. Conservation Officers appointed by the Board are only required to provide the person in charge of a drill site proof of their certificate of designation.
7. Unless otherwise directed by the Chief Conservation Officer, the applicant shall implement or cause to be implemented all of the policies, practices, recommendations and procedures for the protection of the environment included in or referred to in the applicant's drilling application and subsequent submissions.
8. Please make the following corrections to the Site Specific ERP:
 - a. Laura Van Ham's telephone number (403) 299-4931
 - b. The NWT Spill Line telephone number is (887) 920-8130, fax (887) 873-6924
9. Paramount Resources Ltd. is approved to flare up to 300 10³m³ for clean-up and deliverability purposes. Any additional volumes will require approval from the Chief Conservation Officer as per section 14 of the *Canada Oil and Gas Production and Conservation Regulations*.



SEP 24 2004

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 2k-29		
Operator:	Paramount Resources Ltd.	Well ID:	1980
Operating License No.:	1089	Depth:	3599.0m
Contractor:	Concord Well Servicing	Drilling Rig or Unit:	RIG #6
Area:	Fort Liard	Grid:	60-30-123-30
Coordinates:	Surface Lat.: 60°28'40.8"	Long.:	123°35'5.3"
(NAD 27)	Bottom Hole Lat.: 60°29'41.3"	Long.:	23°36'4.3"
Date ADW issued:	31/Dec/2004	Date of last Operation:	04/Aug/2003
Elevation-KB/RT:	416.6m	GL / Seafloor:	409.9m
Approx. Spud Date:	22/Sep/2004	Est. Days on Location:	10

TYPE OF OPERATION

Workover

SUMMARY OF PROPOSED OPERATIONS

(See Attached detailed workover program)
>Remove wellhead and install and test BOP's.
>Unlatch from the pecker and pull the tubing string.
>Run with milling assembly on a work string.
>Mill out and retrieve the pecker.
>Run new pecker and telltale assembly.
>Re-run inspected tubing string.
>Remove the BOP's and re-install the wellhead

Signed:	<u>Dave Block</u>	Title:	Engineering Consultant
	Responsible Officer		
Name:	Dave Block	Operator:	Paramount Resources Ltd.
Date:	Sept 22 / 04	Phone:	(403)206-3834

An approved copy of this notice is to be posted at each drillsite. This operation is authorized under Section 5.(1)(b) of the Canada Oil and Gas Operations Act (O-7) and is subject to the terms and conditions attached to this authorization.

Well Status Before Operation:

Suspended	<input type="checkbox"/>
Completed	<input type="checkbox"/>
Abandoned	<input type="checkbox"/>

Date: September 30/04
File: 9211-C004-3-1
WID: 1980
UWI: 302K296030123302

Signed: J. M. Baker
Chief Conservation Officer

Canada