

National Energy
BoardOffice national
de l'énergieNATIONAL ENERGY BOARD
Exploration and Production

JAN 11 2006

Exploratory ☐
Development ☒

Other (N/A)

Delineation ☐
Service ☐

APPROVAL TO DRILL A WELL

This application is submitted under Section 82.(1) of the *Canada Oil and Gas Drilling Regulations* (SOR/79-82). When approved under Section 83 of the Regulations it is the requisite approval for the commencement of drilling operations.

| | | | |
|--------------------------|--------------------------|------------------------|----------------------|
| Well Name: | Para Et Al Cameron L-73 | | |
| Operator: | Paramount Resources Ltd. | | |
| Operating License No.: | 1125 | Drilling Program No.: | |
| Contractor: | Precision Drilling Ltd. | Interest Identifier: | Production Licence 4 |
| Drilling Rig or Unit: | 129 | Estimated Well Cost: | \$1500000.00 |
| Land Use Permit No.: | MV2002A0046 | Water Licence No.: | MV2002L1-0007 |
| Location: Unit: | L | Section: | 73 |
| Grid: | 60-10-117-15 | | |
| Coordinates: Surface: | Lat.: 60°2'38.3" | Long.: | 117°29'54.3" |
| (NAD 27) Bottom Hole: | Lat.: 60°2'38.3" | Long.: | 117°29'54.3" |
| Region: | Nwt | Field / Pool: | Cameron Hills |
| Elevation KB/RT: | 773.9m | GL / Seafloor: | 770.2m |
| Approximate Spud Date: | 30/Jan/2006 | Est. Days on Location: | 13 |
| Anticipated Total Depth: | 1449.0m | Target Formation: | Sulphur Point |

EVALUATION PROGRAM

| | Interval (m KB) | Comments |
|--------------------------|-----------------|--|
| Ten-metre samples: | 425.0 - 1449.0 | 500 gram samples in Geochem plastic jars |
| Five-metre samples: | 1320.0 - 1449.0 | 2 sets of washed samples in 11 ml vials 1 set of 500 gram size in moisture proof bags |
| Canned sample intervals: | .. - | |
| Conventional cores at: | - | |
| Logs and Tests: | 425.0 - 1449.0 | STI-SP-GR, SPED-CNT-GR-DAC, BCS-GR-SAC, MICROLOG |

CASING AND CEMENTING PROGRAM

| O.D. (mm) | Weight (kg/m) | Grade | Setting Depth (m KB) | Cementing (m³) |
|-----------|---------------|-------|----------------------|----------------|
| 406.0 | 70.2 | | 12.2 | 0.5 |
| 219.0 | 35.7 | J-55 | 425.0 | 24.5 |
| 139.0 | 23.0 | J-55 | 1449.0 | 30.3 |
| | | | | |

B.O.P. Equipment: Sour service 279 mm X 21 MPa with double rams and annular

Other Information:

Signed: Dave Block Title: Drilling Consultant
Responsible OfficerName: Dave Block Operator: Paramount Resources Ltd.
Date: Jan 10 / 06 Phone: (403)206-3834

NEB USE ONLY

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.

| | | | |
|-------|------------------|----------------------------|--------------------|
| Date: | 11 JAN 06 | Signed: | <u>[Signature]</u> |
| File: | 9211- - - | Chief Conservation Officer | |
| WID: | 2033 | | |
| UWI: | 3006736010117150 | | |

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Chief Conservation Officer

Canada