



File: WID#2032
17 March 2006

Mr. Dave Block
Engineering Consultant
Paramount Resources Ltd.
4700, 888 – 3rd Street SW
Calgary, AB T2P 5C5
Facsimile (403) 266-6032

Dear Mr. Block:

Approval to Alter Condition of a Well for Para et al Cameron J-74

Please be advised that your application for an “Approval to Alter Condition of a Well”, pursuant to subsection 19(3) of the *Canada Oil and Gas Production and Conservation Regulations* is approved for the well Para et al Cameron J-74. Attached please find a signed “Approval to Alter Condition of a Well” form for J-74 of which a copy is to be posted in a conspicuous place at the well site as per the *Canada Oil and Gas Drilling Regulations*.

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 Production and Conservation Regulations*, the *Oil and Gas Occupational Safety and Health Regulations* and the *Canada Labour Code, Part II*. Conditions of approval are attached.

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

Yours truly,

A handwritten signature in black ink, appearing to read 'Bharat C. Dixit'.

Bharat C. Dixit
Chief Conservation Officer

Attachment

c.c. G. Green - INAC

17 March 2006

Attachment

**Approval to Alter Condition of a Well for
Para et al Cameron J-74**

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. Daily reports are to be emailed to dailyreports@neb-one.gc.ca with the well name and then the date of the report in the subject line by 8:30 am. Please contact Lori Ann Sharp (phone number (403) 299-1994) or Trena Barnes (phone number (403) 299-3192) should there be any difficulty in delivery of the daily reports.
3. Unless otherwise directed by the Chief Conservation Officer, Paramount shall implement or cause to be implemented all of the policies, practices, mitigative measures, recommendations and procedures for the protection of the environment included in or referred to in the operator's application, subsequent submissions and committed to by Paramount in the Mackenzie Valley Environmental Impact Review Board Environmental Assessment process (EA03-005).
4. Paramount shall ensure that the annual environmental report required under section 88 of the *Canada Oil and Gas Production and Conservation Regulations* includes a description of all environmental mitigation and remediation measures taken by Paramount in response to sediment deposits into a waterbody/watercourse and areas of erosion in the Cameron Hills field.
5. Paramount is reminded that it is to comply with the requirements of the Chief Conservation Officer's 24 May 2005 letter titled "Operating Conditions" for the Cameron Hills Field.



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:	Para Et Al Cameron J-74		
Operator:	Paramount Resources Ltd.	Well ID:	2032
Operating License No.:	1125	Depth:	1465.0m
Contractor:	Concord Well Servicing Ltd.	Drilling Rig or Unit:	RIG #41
Area:	Cameron Hills, Nwt	Grid:	60-10-117-15
Coordinates: (NAD 27)	Surface Lat.: 60°3'38.8" Bottom Hole Lat: 60°3'38.8"	Long.:	117°28'55.7"
Date ADW issued:	11/Jan/2006	Date of last Operation:	12/Mar/2006
Elevation-KB/RT:	775.3m	GL / Seafloor:	771.1m
Approx. Spud Date:	18/Mar/2006	Est. Days on Location:	7

TYPE OF OPERATION

To complete the well as a Sulphur Point oilwell.

SUMMARY OF PROPOSED OPERATIONS

(See the attached detailed workover program)

Install BOP's.
Run bit and scraper to TD.
Run cement bond log, identify cement top.
Remedial cementing if required.
Perforate the Sulphur Point.
Perform acid squeeze on Sulphur Point.
Run production tubing.
Install the wellhead.
Test the well as required.

Signed: Dave Bl Title: Engineering Consultant
Responsible Officer

Name: Dave Block Operator: Paramount Resources Ltd.
Date: March 15, 2006 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.

Well Status Before Operation:
<input type="checkbox"/> Suspended
<input type="checkbox"/> Completed
<input type="checkbox"/> Abandoned

Date: Mar 15/06
File: 9211 - - -
WID: 2032
UWI: 3003746010117151

Signed:

C. Kelly
Chief Conservation Officer
fd

Canada