



File: WID #1902
19 January 2007

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

Dear Mr. Heenan:

Approval to Alter Condition of a Well for Para et al Southeast Fort Liard N-01

Please be advised that your application for an “Approval to Alter Condition of a Well” is approved for the well Para et al Southeast Fort Liard N-01 pursuant to subsection 19(3) of the *Canada Oil and Gas Production and Conservation Regulations*. Attached please find a signed “Approval to Alter Condition of a Well” form for N-01 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".
A handwritten mark or signature, possibly initials, written over the bottom left of the signature.

Bharat C. Dixit
Chief Conservation Officer

Attachment

c.c. G. Green - INAC

Attachment

**Approval to Alter Condition of a Well for
Para et al Southeast Fort Liard N-01**

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 daily by 8:30 am. Please contact Lori-Ann Sharp (403-299-1994) should there be any difficulty in delivery of the daily drilling reports.
3. Please submit two paper copies and 1 PDF version of all final well report data; in addition, please submit one LAS copy of final log prints. Please ensure compact discs are maximized and submitted with the final well report.
4. 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 its application, Fort Liard Environmental Protection Plan, and site-specific description and mitigation planning.
5. Paramount shall notify the NEB, by the most expedient communication means available, of any major incidents, accidents or any lost time occurrences. Any changes or updates in field contacts or Journey Management procedures in the Emergency Response Plan are to be conveyed to the NEB as soon as the changes are or updates are made.
6. Paramount shall meet the Guideline for Ambient Air Quality Standards in the Northwest Territories when conducting any flaring associated with the N-01 ACW program.
7. Paramount shall, within 30 days of the completion of the N-01 ACW work, file with the Chief Conservation Officer, a confirmation, by an officer of the company, that the approved Project was completed in compliance with all applicable conditions in the Application to Alter Condition of a Well. If compliance with any of these conditions cannot be confirmed, the officer of the company shall file with the Chief Conservation Officer details as to why compliance cannot be confirmed.



JAN 15 2007

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 South East Fort Liard N-01		
Operator:	Paramount Resources Ltd.	Well ID:	1902
Operating License No.:	1159	Depth:	1940.0m
Contractor:	Precision Well Service	Drilling Rig or Unit:	668
Area:	Ft. Liard, Nwt	Grid:	60-10-123-15
Coordinates: (NAD 27)	Surface Lat.: 60°0'52.3" Bottom Hole Lat.: 60°0'52.3"	Long.:	123°15'58.5"
Date ADW issued:	27/Feb/1998	Date of last Operation:	17/Mar/2005
Elevation-KB/RT:	492.1m	GL / Seafloor:	487.0m
Approx. Spud Date:	19/Jan/2007	Est. Days on Location:	7

TYPE OF OPERATION

Workover

SUMMARY OF PROPOSED OPERATIONS

Kill well (Fantasque)
Pull tubing to tubing bridge plug & fish. -- Hot tap, depressurize & pull tubing
Isolate Mattson with wireline bridge plug & sand
Perforate 1451-1455m KB with TCP (underbalanced)
Flow on clean up
Production test (in-line)

Signed:	<i>D. Heenan</i>	Title:	Drilling Consultant
Responsible Officer			
Name:	Dick Heenan	Operator:	Paramount Resources Ltd.
Date:	<i>2007/01/12</i>	Phone:	(403)290-3600

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

Date: *Jan. 22/07* Signed: *[Signature]*
File: *9211* - -
WID: *1902*
UWI: *300N016010123153*

[Signature]
Chief Conservation Officer

Canada