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March 4, 2009

VIA COURIER

National Energy Board
444 – 7th Avenue S.W.
Calgary, Alberta T2P 0X8

Attention: Bharat Dixit – Chief Conservation Officer

Dear Dr. Dixit

Re: MGM West Nogha K-14 Final Well Report

MAIL ROOM
SALE DE COURIER
2009 MAR - 4 A 9:48
NEB/ONE

Further to our letter dated February 26, 2009 and in response to your letter of February 20, 2009; enclosed please find a copy of the 2005 daily reports pertaining to the captioned well with black out of costs for inclusion in the public final well report.

Should you require any further information regarding the aforementioned please do not hesitate to contact the undersigned (403-781-7821).

Yours truly,
MGM Energy Corp.

Don Kempf
Advisor Land

cc: Dick Heenan
Drilling Manager
MGM Energy Corp.

2005 Daily Reports

PARAMOUNT RESOURCES LTD

DAILY COMPLETION / WORKOVER REPORT

WELL NAME: Paramount West Nogha K-14 DATE: 2/17 REPORT NO: 1
 LOCATION: 300k14664012600125452 CONTRACTOR: IPS WIRELINE
 TD (mKB): 1401 PBDT (mKB): 1404 Csg Size (mm): 177.8 AFE #:
 FORMATION: Mt Clark "A", Mt Clark "B" Mt Clark "C" Perforations:
 PURPOSE: Evaluation
 WELLHEAD PRESSURES @08:00 h SITP: TSTM SICP: TSTM
 CURRENT OPERATIONS @12:00 hr Slickline

FROM	TO	PREVIOUS DAYS OPERATIONS		
		SITP:	0 kPa	SICP: 0 kPa
13:00	13:30	Held pre-job safety and risk assement meeting with all personnel.		
13:30		MIRU IPS combination wireline unit and support equip.		
		R/I with knock out rod to 21mcf, open and equalize plug. POOH.		
		R/I with 2.5 JUC camco pulling tool to 21mcf.		
		Latch and pull 2.5 slip stop. POOH.		
		R/I with 2.5 JUC camco pulling tool to 21mcf.		
		Latch and pull 2.5 A-3 camco plug. POOH.		
		R/I with 2.0 JUC camco pulling tool to 1349.5mcf.		
		Latch and pull camco prong. POOH.		
		RIH with 2.15 AS pulling tool to 1349.5mcf.		
	15:00	Latch and pull PXR Otis plug mandrel . POOH.		
15:00		R/I with 2.5 blind box, confir plug back @ 1387.0mkb. POOH.		
		Inform Calgary office on well status.		
	15:30	Shut in and secure well, Rig out and release wireline unit.		
15:30		M/I and spotted Stinger tree saver c/w Halliburton equipment including 2-fluid pumpers. blender,sand truck, iron truck, chemical & data van		
		R/I pump lines in preparation to treat down tbg.		
	18:00	Shut in and secure well and shut down for night.		

DAILY COST SUMMARY

Item	Amount	Item	Amount	Item	Amount
RIG				DAILY COST	\$1,250.00
SUPERVISION	\$1,250.00			PREVIOUS COST	
IPS	10,000.00			COST TO DATE	\$1,250.00
e-LINE				AFE AMOUNT	

RIG HOURS	MOBILE	PREPARED BY Grant W Parr
CUM RIG HRS.	AREA	RECEIVED BY Dick Heenan

LOAD FLUID

Total Load Fluid: Daily Recovery: Recovered to Date: Load to Recover:

Oil: m³ Oil: m³ Oil: m³ Oil: m³

Water: m³ Water: m³ Water: m³ Water: m³

('+' new fluid)

PARAMOUNT RESOURCES LTD

DAILY COMPLETION / WORKOVER REPORT

WELL NAME: Paramount West Nogha K-14 DATE: 2/18 REPORT NO: 2
 LOCATION: 300k14664012600125452 CONTRACTOR: IPS WIRELINE
 TD (mKB): 1401 PBTD (mKB): 1404 Csg Size (mm): 177.8 AFE #:
 FORMATION: Mt Clark "A", Mt Clark "B" Mt Clark "C" Perforations:
 PURPOSE: Evaluation
 WELLHEAD PRESSURES @08:00 h SITP: TSTM SICP: TSTM
 CURRENT OPERATIONS @08:00 hr Slickline

FROM	TO	PREVIOUS DAYS OPERATIONS		
		SITP:	0 kPa	SICP: 0 kPa
8:00	10:30	Wait on frac oil to come from Norman wells. Standby,		
10:30	12:30	Frac oil arrives, unload into 400bbl, Heat frac to 22'c..		
12:30	13:00	Held pre-job safety and risk assement meeting with all personnel.		
13:00		P-tested main line to 60mpa, good test, press test tester line to 21mpa.(ok)		
	14:00	Set annuals pop valve @ 15mpa. Press test Csg back press line to 21mpa(ok).		
14:00		Attempt to press up csg with hotoiler, pumped 4m3 oil could not catch fluid		
	15:00	level. Pump rate @ 225liters/min.		
15:00		Inform Calgary office on well status.		
		Attempt to break reverse circulation, no returns to surface.		
		BTM packer holding, upper packer, not holding.		
	16:00	Upper perms taking fluid/and /or hole in csg.		
16:00		Switch Halliburton iron to pimp down the csg.		
		Establish feed rate pump .77m3 @ 700liters/min.		
		Press up to 1mpa @ 400liters/min		
		Press continues to feed and charge formation.		
		Press up csg to 15mpa. Stop pump and R&R bleed off.		
		Inform Calgary office on well status.		
	20:00	Shut in and secure well and shut down for night.		

DAILY COST SUMMARY

Item	Amount	Item	Amount	Item	Amount
RIG				DAILY COST	521,250.00
SUPERVISION	51,250.00			PREVIOUS COST	
IPS	10,000.00			COST TO DATE	521,250.00
Halliburton	50,000.00			AFE AMOUNT	

RIG HOURS	MOBILE	PREPARED BY Grant W Parr
CUM RIG HRS.	AREA	RECEIVED BY Dick Heenan

LOAD FLUID

Total Load Fluid:	Daily Recovery:	Recovered to Date:	Load to Recover:
Oil: <u> </u> m ³	Oil: <u> </u> m ³	Oil: <u> </u> m ³	Oil: <u> </u> m ³
Water: <u> </u> m ³	Water: <u> </u> m ³	Water: <u> </u> m ³	Water: <u> </u> m ³
('+' new fluid)			

PARAMOUNT RESOURCES LTD

DAILY COMPLETION / WORKOVER REPORT

WELL NAME: Paramount West Nogha K-14 DATE: 2/19 REPORT NO: 3
 LOCATION: 300k14664012600125452 CONTRACTOR: IPS WIRELINE
 TD (mKB): 1401 PBDT (mKB): 1404 Csg Size (mm): 177.8 AFE #:
 FORMATION: Mt Clark "A", Mt Clark "B" Mt Clark "C" Perforations:
 PURPOSE: Evaluation
 WELLHEAD PRESSURES @08:00 h SITP: TSTM SICP: TSTM
 CURRENT OPERATIONS @08:00 h: Slickline

FROM	TO	PREVIOUS DAYS OPERATIONS
		SITP: 780 kPa SICP: 1300kPa
8:00	10:30	Held pre-job safety and risk assement meeting with all personnel. P-tested main line to 60mpa, good test, press test tester line to 21mpa.(ok) Set annuuls pop valve @ 15mpa. Press test Csg back press line to 21mpa(ok). Opened up tbg and displaced 4.7m3 frac oil @ 1.5m3/min. Mini frac pumped 8.34m3 Witnessed breakdown 26.5 @ mpa. Stopped pumps. Tbg pressure held @ 24mpa. Start 20M³ pad @ 1.3M³/min. and increase annulus pressure to 12mpa Begin sand ramp @ 100Kg/M³ to a max. conc of 800Kg/M³. Average treating pressure 27.8mpa. Screened off @ perfs on last sand stage. ISIP-50mpa. No flush.. 15 min. SITP-22.8mpa. Start rig out. Bled csg pressure down to 5000kpa Vac truck sucked out lines. R/O equipment
	18:00	Stinger rigged off wellhead
18:00		SITP-14750kpa. SICP-200kpa. Opened up tbg down line to testers. FTP-2100kpa. Increased to 12.7mm(32/64) choke FTP-2210kpa. Open well to gut line Recovered 5.0m3 frac oil, 35% sand.
	18:30	FTP-35kpa. Inform Calgary office on well status. R&R build ups as per field notes.
18:30		Immobilize Halliburton CTU and N2 unit and support equip. M/I Halliburton CTU c/w N2 pumper & bulker. R/I N2 lines, removed flow-T flanged and installed adapter spool. NU BOP stack and injector. Held pre-job safety and procedure meeting. RIH w/ 38.1mm coil tbg pumping 15SCM/min. Fluid to surface Increased N2 rate to 30SCM/min. and lowered tbg down to 73mm tbg btm @ 1370.0mkb. Pulled up unloading well. Ran down to perf btm @0000.0 mKB. Pulled up into tbg and allowed returns to to clean up. Pumped 3-500liters pads of frac oil, to assist in clean up. Worked CT, Slowly pulled up hole until returns completely clean. Clean out rec'd 8m³ oil. Total load fluid recovered 13.55m3. Load left to recover. 41.45m3 .Inform Calgary office on well status. Dropped N2 rate to 10SCM/min. and hoist coil tbg to surface. No traces of sand. Maintain positive press on coil. Shut in and bleed down N2.
	0:00	R/O and release CTU c/w N2 pumper & bulker. SDFN..
0:00		Continue to R & R build ups through night. Details as per IPS FieldNotes

DAILY COST SUMMARY

Item	Amount	Item	Amount	Item	Amount
RIG				DAILY COST	
SUPERVISION				PREVIOUS COST	
IPS				COST TO DATE	
Halliburton				AFE AMOUNT	

RIG HOURS	MOBILE	PREPARED BY Grant W Parr
CUM RIG HRS.	AREA	RECEIVED BY Dick Heenan

LOAD FLUID

Total Load Fluid:	Daily Recovery:	Recovered to Date:	Load to Recover:
Oil: m³	Oil: m³	Oil: m³	Oil: m³
Water: m³	Water: m³	Water: m³	Water: m³
			(+ ' new fluid)

DAILY COMPLETION / WORKOVER REPORT

WELL NAME:	Paramount West Nogha K-14	DATE:	2/21	REPORT NO:	5
LOCATION:	300k14664012600125452	CONTRACTOR:	Nabors		
TD (mKB):	1401	PBTD (mKB):	1404	Csg Size (mm):	177.8
FORMATION:	Mt Clark "A", Mt Clark "B" Mt Clark "C"	Perforations:		AFE #:	
PURPOSE:	Evaluation				
WELLHEAD PRESSURES @08:00 h	SITP: TSTM	SICP:	TSTM		
CURRENT OPERATIONS @08:00 h:	Wait on tools.				

DAILY COST SUMMARY

RIG HOURS	MOBILE 403 987 3599	PREPARED BY Grant W Parr
CUM RIG HRS.	AREA NWT	RECEIVED BY Dick Heenan

Total Load Fluid:		Daily Recovery:		Recovered to Date:		Load to Recover:	
Oil:	54 m ³	Oil:	1.02	Oil:	16.19	Oil:	37.81
Water:	m ³	Water:	m ³	Water:	m ³	Water:	m ³
('+' new fluid)							

PARAMOUNT RESOURCES LTD

DAILY COMPLETION / WORKOVER REPORT

WELL NAME: Paramount West Nogha K-14 DATE: 2/22 REPORT NO: 6
 LOCATION: 300K14664012600125452 CONTRACTOR: Nabors
 TD (mKB): 1401 PBD (mKB): 1404 Csg Size (mm): 177.8 AFE #:
 FORMATION: Mt Clark "A", Mt Clark "B" Mt Clark "C" Perforations:
 PURPOSE: Evaluation
 WELLHEAD PRESSURES @08:00 h SITP: 3425 SICP: TSTM
 CURRENT OPERATIONS @08:00 h: Swab

FROM	TO	PREVIOUS DAYS OPERATIONS	
		SITP: 3425 kPa	SICP: TSTM
8:00		Visually insp, serviced and warmed equipment	
	9:00	Held safety and operations meeting c/w hazard assessment	
9:00		Check SITP:3425kpa, open tbg to P-tank and bleed off press. (tstm).	
		R/U 73mm swab equip and RIH. Swab and evaluate well..	
		Install 1 sand cup. RIH, could not find fluid level, pull swab from 1350(nipple).	
		No fluid recovered. Install and RIH w/ 2 swab cups.	
		Pull from nipple. No fluid recovered(Tbg dry).	
		Inform Calgary office on well status.	
		R/O 73mm swab equip, shut in well.	
	0:00	Continue to R & R build ups through day and night. Details as per IPS FieldNotes	

DAILY COST SUMMARY

Item	Amount	Item	Amount	Item	Amount
RIG	500.00			DAILY COST	500.00
SUPERVISION	250.00			PREVIOUS COST	
IPS	15.000			COST TO DATE	515.00
Halliburton	10.000			AFE AMOUNT	

RIG HOURS MOBILE 403 987 3599 PREPARED BY Grant W Parr
 CUM RIG HRS. AREA NWT RECEIVED BY Dick Heenan

LOAD FLUID

Total Load Fluid: Daily Recovery: Recovered to Date: Load to Recover:
 Oil: 54 m³ Oil: 1.02 Oil: 16.19 Oil: 37.81
 Water: m³ Water: m³ Water: m³ Water: m³
 ('+' new fluid)

PARAMOUNT RESOURCES LTD

DAILY COMPLETION / WORKOVER REPORT

WELL NAME: Paramount West Nogha K-14 DATE: 2/23 REPORT NO: 7
 LOCATION: 300k14664012600125452 CONTRACTOR: Nabors
 TD (mKB): 1401 PBD (mKB): 1404 Csg Size (mm): 177.8 AFE #:
 FORMATION: Mt Clark "A", Mt Clark "B" Mt Clark "C" Perforations:
 PURPOSE: Evaluation
 WELLHEAD PRESSURES @08:00 h SITP: 3425 SICP: TSTM
 CURRENT OPERATIONS @08:00 h: Swab

FROM	TO	PREVIOUS DAYS OPERATIONS	
		SITP: <u>3425 kPa</u>	SICP: <u>TSTM</u>
8:00		Visually insp, serviced and warmed equipment	
	9:00	Held safety and operations meeting c/w hazard assessment	
9:00		Check SITP:3425kpa, open tbg to P-tank and bleed off press. (tstm).	
		R/U 73mm swab equip and RIH. Swab and evaluate well..	
		Install 1 sand cup. RIH, could not find fluid level, pull swab from 1350(nipple).	
		No fluid recovered. Install and RIH w/ 2 swab cups.	
		Pull from nipple. No fluid recovered(Tbg dry).	
		Inform Calgary office on well status.	
		R/O 73mm swab equip, shut in well.	
		Continue to R & R build ups through day and night. Details as per IPS FieldNotes	
	20:00	R/O Nabors service rig and support equip and move off site.	

DAILY COST SUMMARY

Item	Amount	Item	Amount	Item	Amount
RIG	<u>\$10,000.00</u>			DAILY COST	<u>\$10,000.00</u>
SUPERVISION	<u>\$1,200.00</u>			PREVIOUS COST	<u>\$0.00</u>
IPS	<u>\$10,000.00</u>			COST TO DATE	<u>\$21,200.00</u>
Halliburton	<u>\$10,000.00</u>			AFE AMOUNT	<u>\$0.00</u>

RIG HOURS: MOBILE: 403 987 3599 PREPARED BY: Grant W Parr
 CUM RIG HRS: AREA: NWT RECEIVED BY: Dick Heenan

LOAD FLUID

Total Load Fluid: Daily Recovery: Recovered to Date: Load to Recover:
 Oil: 54 m³ Oil: 1.02 Oil: 16.19 Oil: 37.81
 Water: m³ Water: m³ Water: m³ Water: m³
 ('+' new fluid)

PARAMOUNT RESOURCES LTD

DAILY COMPLETION / WORKOVER REPORT

WELL NAME: Paramount West Nogha K-14 DATE: 2/24 REPORT NO: 8
 LOCATION: 300K14664012600125452 CONTRACTOR: Nabors
 TD (mKB): 1401 PBD (mKB): 1404 Csg Size (mm): 177.8 AFE #:
 FORMATION: Mt Clark "A", Mt Clark "B" Mt Clark "C" Perforations:
 PURPOSE: Evaluation
 WELLHEAD PRESSURES @08:00 h SITP: 5400 SICP: TSTM
 CURRENT OPERATIONS @08:00 h: Swab

FROM	TO	PREVIOUS DAYS OPERATIONS
		SITP: 3425 kPa SICP: TSTM
8:00		Visually insp, serviced and warmed equipment
	9:00	Held safety and operations meeting c/w hazard assessment
9:00		Check SITP: 5400kpa, open tbg to P-tank and bleed off press. (tstm).
	0:00	Continue to R & R build ups through day and night. Details as per IPS FieldNotes

DAILY COST SUMMARY

Item	Amount	Item	Amount	Item	Amount
RIG	\$10,000.00			DAILY COST	\$11,250.00
SUPERVISION	\$1,250.00			PREVIOUS COST	
IPS	\$10,000.00			COST TO DATE	\$11,250.00
Halliburton	\$10,000.00			AFE AMOUNT	

RIG HOURS: MOBILE 403 987 3599 PREPARED BY Grant W Parr
 CUM RIG HRS. AREA NWT RECEIVED BY Dick Heenan

LOAD FLUID

Total Load Fluid:	Daily Recovery:	Recovered to Date:	Load to Recover:
Oil: <u>54</u> m ³	Oil: <u>1.02</u>	Oil: <u>16.19</u>	Oil: <u>37.81</u>
Water: <u> </u> m ³	Water: <u> </u> m ³	Water: <u> </u> m ³	Water: <u> </u> m ³

(+' new fluid)

PARAMOUNT RESOURCES LTD

DAILY COMPLETION / WORKOVER REPORT

WELL NAME: Paramount West Nogha K-14 DATE: 2/25 REPORT NO: 9
 LOCATION: 300k14664012600125452 CONTRACTOR: IPS
 TD (mKB): 1401 PBD (mKB): 1404 Csg Size (mm): 177.8 AFE #:
 FORMATION: Mt Clark "A", Mt Clark "B" Mt Clark "C" Perforations:
 PURPOSE: Evaluation
 WELLHEAD PRESSURES @08:00 h SITP: 7200 SICP: TSTM
 CURRENT OPERATIONS @08:00 h: Set recorders and plugs

FROM	TO	PREVIOUS DAYS OPERATIONS
		SITP: 7200 kPa SICP: 3480
7:00		Visually insp, serviced and warmed equipment
	7:30	Held safety and operations meeting c/w hazard assessment
7:30		Check SITP:7463kpa, open tbg to P-tank and bleed off press. (tstm).
		MIRU IPS slickline unit and support equip.
		Make up Tandem 6k EMR's on 58.75mm "X" instrument hanger.
	9:00	RIH and set in "X" profile @ 1353mcf. Recorders on Btm @ 9:07am.
9:00	10:30	POOH. Bleed down tbg to IPS P-tank. Bleed down to tstm in 1hr.
10:30		M/U and RIH with PX plug and set in upper "X" nipple @ 1346mcf.(ok).
		POOH. M/U, Rih w/ 58.75mm prong on JDC setting tool.
	13:00	Set prong into plug body @ 1346mcf.(ok). POOH.
13:00		Bleed off tbg, fill with 3.77m3 of frac oil.
		Press test tbg and plug to 7mpa and held for 10min(ok).
		Rig out IPS slickline and support equip.
		Shut in and secure well. Lock wellhead valves.
	14:00	Clean location. Well suspended. Inform Calgary office on well status.

DAILY COST SUMMARY

Item	Amount	Item	Amount	Item	Amount
RIG	\$10,000.00			DAILY COST	\$10,000.00
SUPERVISION	\$1,250.00			PREVIOUS COST	
IPS	\$10,000.00			COST TO DATE	\$21,250.00
Halliburton	\$10,000.00			AFE AMOUNT	

RIG HOURS: MOBILE 403 987 3599 PREPARED BY Grant W Parr
 CUM RIG HRS. AREA NWT RECEIVED BY Dick Heenan

LOAD FLUID

Total Load Fluid: Daily Recovery: Recovered to Date: Load to Recover:
 Oil: 54 m³ Oil: 1.02 Oil: 16.19 Oil: 37.81
 Water: m³ Water: m³ Water: m³ Water: m³
 ('+' new fluid)

DAILY COMPLETION / WORKOVER REPORT

[illegible]

Item	Amount	Item	Amount	Item	Amount
RIG	\$10,000.00			DAILY COST	\$2,500.00
SUPERVISION	\$1,250.00			PREVIOUS COST	
IPS	\$10,000.00			COST TO DATE	\$31,250.00
Halliburton	\$10,000.00			AFE AMOUNT	

LOAD FLUID

Total Load Fluid:	Daily Recovery:	Recovered to Date:	Load to Recover:
Oil: 54 m ³	Oil: 1.02	Oil: 16.19	Oil: 37.81
Water: m ³	Water: m ³	Water: m ³	Water: m ³
			(+ new fluid)