



File: OF-EP-DPA-P225-2009 01
30 December 2009

Mr. Dick Heenan
Drilling Engineer
Paramount Resources Ltd.
4700, 888-3rd Street SW
Calgary, AB T2P 5C5
Facsimile: (403) 262-7994

Dear Mr. Heenan:


Cameron Hills 2009/2010, Drilling Program Authorizations

Thank you for your letter dated 8 December 2009 and applications for three Drilling Program Authorizations (DPA). We have reviewed your submission and advise you that Paramount Resources Ltd's applications are approved, as per paragraph 5.1(b) of the *Canada Oil and Gas Operations Act* for a period of 36 months beginning January 1, 2010. Please note conditions on attachment and a COGOA contact list.

Please be reminded that all oil and gas activities are, at minimum, to meet the requirements of the *Canada Oil and Gas Drilling 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 truly,

 John McCarthy
Chief Conservation Officer

Attachment

**Attachment
Paramount Resources Ltd.
Drilling Program Authorization**

30 December 2009

1. Paramount Resources Ltd is to have the electrical deficiencies found on Precision Drilling Rig # 436 corrected prior to spud and to have a copy of inspection close on site.
2. Paramount Resources Ltd is hereby made aware that Precision Drilling Rig #245's hook and block expire in 45 working days. This may impact Paramount Resources Ltd. 2009/2010 drilling program.
3. Paramount Resources Ltd is exempt from subsection 110(7) (no requirement for remote operated choke) and subsection 122(1) (no need to perform FLOT) of the *Canada Oil and Gas Drilling Regulations* for the proposed Drilling Program Authorization.
4. A copy 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 at 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).
5. Please provide updated contacts and phone numbers once they become available.
6. 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).
7. Paramount shall ensure that the environmental protection plan described in section 9 of the *Canada Oil and Gas Drilling and Production Regulations* includes:
 - current mitigation, monitoring and remediation commitments with respect to environmental protection for all construction and operation activities to be carried out in the Cameron Hills field; and,
 - a plan for notification of government agencies and other affected parties in the event of an unforeseen construction or operational incident that affects components of the environment.
8. Paramount shall ensure that in the event its activity is cause for any deposit of sediment into a water body/watercourse, it immediately implement mitigation or remediation measures and notify the Chief Conservation Officer, Fisheries and Oceans Canada, Environment Canada and the Ka'a'Gee Tu First Nation.

Attachment
Paramount Resources Ltd.
Drilling Program Authorization

30 December 2009

9. Paramount shall ensure that the annual environment report required under section 86 of the *Canada Oil and Gas Drilling and Production Regulations* includes:
 - confirmation in plain language, by an officer of the company, that the authorized and/or approved activities and construction were completed in compliance with all applicable conditions in this authorization or approval. If compliance with any of these conditions cannot be confirmed, the officer of the company shall file with the Chief Conservation Officer details in plain language as to why compliance cannot be confirmed or a plan for achieving compliance; and,
 - 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.
10. Paramount shall ensure that the components of the annual environmental report referred to in this condition are made readily available to the Parties to the Environmental Assessment (EA03-005) and the public in a manner approved by the Chief Conservation Officer.
11. Paramount shall submit all components of the annual environment report for the Cameron Hills field required under section 86 of the *Canada Oil and Gas Drilling and Production Regulations* to the Chief Conservation Officer by March 31 each year.



NEB Contacts for COGO Act-regulated Work or Activities

INCIDENT PHONE NUMBERS

* Hazardous occurrences (under Part XVI of the *Canada Oil and Gas Occupational Safety and Health Regulations*) and incidents requiring medical evacuation are to be reported to the NEB immediately.

NEB 24-hour Incident Cell: (403) 807-9473

NWT/Nunavut Spill Line Phone: (867) 920-8130

NWT/Nunavut Spill Line Fax: (867) 873-6924

Transportation Safety Board Hotline: (819) 997-7887

NEB Operations Staff	Internet	Telephone Numbers
Karen Duckworth Operations Specialist Safety & Conservation Officer	karen.duckworth@neb-one.gc.ca	Work: (403) 299-3669 Cell: (403) 710-8254
Rick Turner Operations Specialist Safety & Conservation Officer	rick.turner@neb-one.gc.ca	Work: (403) 299-3868 Cell: (403) 540-3754
Chris Knoechel Petroleum Engineering Specialist Safety & Conservation Officer	chris.knoechel@neb-one.gc.ca	Work: (403) 299-3866 Cell: (403) 801-4439
Environment and Spill Reporting	Internet	Telephone Numbers
John Korec Environmental Specialist Conservation Officer	john.korec@neb-one.gc.ca	Work: (403) 292-6614 Cell: (403) 818-2403
Pamela Romanchuk Environmental Specialist Conservation Officer	pamela.romanchuk@neb-one.gc.ca	Work: (403) 299-3906 Cell: (403) 510-3179
Christy Wickenheiser Environmental Specialist	christy.wickenheiser@neb-one.gc.ca	Work: (403) 299-3869 Cell: (403) 809-9352
Chief Conservation & Safety Officers	Internet	Telephone Numbers
John McCarthy Business Leader, Strategy and Analysis Chief Conservation Officer	john.mccarthy@neb-one.gc.ca	Work: (403) 299-3646 Cell: (403) 560-9443
Alan Murray Professional Leader, Engineering Chief Safety Officer	alan.murray@neb-one.gc.ca	Work: (403) 299-3903 Cell: (403) 815-6661
NEB OPERATIONS PHONE NUMBERS	Main Office: Operations Fax: Alternate Fax:	(403) 292-4800 (403) 292-5876 (403) 292-5875

National Energy
Board



Office national
de l'énergie

NATIONAL ENERGY BOARD
Exploration and Production

DEC 21 2009

DRILLING PROGRAM AUTHORIZATION APPLICATION

Paramount Resources Ltd

(Name of Operator)

Hereby applies for authorization of a proposed drilling program under paragraph 5(1)(b) of the *Canada Oil and Gas Operations Act* (O-7) using equipment and procedures described in the full application for Drilling Program Authorization

Date December 18, 2009

It is understood that under Section 13 of the *Canada Oil and Gas Drilling Regulations* (SOR/79-82) changes in equipment or procedures require the approval of the Chief in order that this approval is valid.

Region	NWT Mainland		
Contractor	Precision Drilling	Drilling Rig or Unit	436
NEB Operating Licence No.	1221	Number of months	36
Additional Information			

Signed


Responsible Officer of Company

Date 18/12/2009

Operator Paramount Resources Ltd

Name Andre Poitras

Telephone (403) 290-3600 Ext

Job Title Drilling Manager


E-Mail andre.poitras@paramountres.com

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.

NEB USE ONLY

The operator named above is hereby authorized under Part 1 of the *Canada Oil and Gas Drilling Regulations* (SOR/79-82) to conduct a drilling program using the drilling rig or drilling unit Precision 436 in the region of NWT Mainland for a period of 36 months commencing January 1, 2010.

Signed


Chief Conservation Officer

DPA # DA-P225-2009-01

Date

Dec 30th 2009

National Energy
Board



Office national
de l'énergie

NATIONAL ENERGY BOARD
Exploration and Production

DEC 21 2009

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Region	NWT Mainland		
Contractor	Precision Drilling	Drilling Rig or Unit	245
NEB Operating Licence No.	1221	Number of months	36
Additional Information			

Signed

Responsible Officer of Company

Date 18/12/2009

Operator Paramount Resources Ltd

Name Andre Poitras

Telephone (403) 290-3600 Ext

Job Title Drilling Manager

E-Mail andre.poitras@paramountres.com

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.

NEB USE ONLY

The operator named above is hereby authorized under Part 1 of the *Canada Oil and Gas Drilling Regulations* (SOR/79-82) to conduct a drilling program using the drilling rig or drilling unit Precision 245 in the region of NWT Mainland for a period of 36 months commencing January 1, 2010.

Signed

Chief Conservation Officer

DPA #

DPA-P225-2009-01

Date

30th Dec 2009

DEC 21 2009

National Energy
BoardOffice national
de l'énergieDRILLING PROGRAM AUTHORIZATION
APPLICATION

Paramount Resources Ltd

(Name of Operator)

Hereby applies for authorization of a proposed drilling program under paragraph 5(1)(b) of the *Canada Oil and Gas Operations Act* (O-7) using equipment and procedures described in the full application for Drilling Program Authorization

Date December 18, 2009

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Region	NWT Mainland		
Contractor	Concord Well Servicing	Drilling Rig or Unit	41
NEB Operating Licence No.	1221	Number of months	36
Additional Information			

Signed 
Responsible Officer of CompanyDate 18/12/2009Operator Paramount Resources LtdName Andre PoitrasTelephone (403) 290-3600 ExtJob Title Drilling ManagerE-Mail andre.poitras@paramountres.com

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.

NEB USE ONLY

The operator named above is hereby authorized under Part 1 of the *Canada Oil and Gas Drilling Regulations* (SOR/79-82) to conduct a drilling program using the drilling rig or drilling unit Concord 41 in the region of NWT Mainland for a period of 36 months commencing January 1, 2010.

Signed 
Chief Conservation OfficerDPA # DPA-P225-2009-01Date 30th Dec 2009