



File WID #1992, 2025
22 January 2010

Mr. D. Heenan
Drilling Consultant
Paramount Resources Ltd.
4700 Bankers Hall West
888 – 3rd Street SW
Calgary, Alberta T2P 5C5

Dear Mr. Heenan

**Approval to Alter Condition of a Well for Para et al Cameron F-73
Approval to Alter Condition of a Well for Para et al Cameron 2F-73**

Thank you for your submission for the applications to alter condition of a well (ACW) on the aforementioned wells, **Para et al Cameron F-73 (WID 1992) and Para et al Cameron 2F-73 (WID 2025)**. Paramount Resources Ltd. (Paramount) is hereby given approvals to alter condition of a well in accordance with paragraph 5(1)(b) of the *Canada Oil and Gas Operations Act* for the wells. Please find attached signed ACW forms for the F-73 and 2F-73 wells which are to be posted in a prominent place at each well site.

All oil and gas operations are to comply with the requirements of the new *Canada Oil and Gas Drilling and Production Regulations*, the *Oil and Gas Occupational Safety and Health Regulations* and the *Canada Labour Code, Part II*. Any changes of deviation from the approved programs will require additional specific approval by the Chief Conservation Officer.

In addition, Paramount is reminded that it must comply with the requirements of the Chief Conservation Officer's 24 May 2005 direction regarding operating conditions and air quality (attached).

Should you have any questions with regards to these approvals or the new regulations, please do not hesitate to contact Abul Kabir at 403-292-5048 (abul.kabir@neb-one.gc.ca).

Yours truly,

A handwritten signature in blue ink that reads "John McCarthy".

John McCarthy
Chief Conservation Officer
Attachments (4)

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

444, Septième Avenue S.-O.
Calgary (Alberta) T2P 0X8

Canada

Telephone/Téléphone : 403-292-4800
Facsimile/Télécopieur : 403-292-5503
<http://www.neb-one.gc.ca>
Telephone/Téléphone : 1-800-899-1265
Facsimile/Télécopieur : 1-877-288-8803



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APPROVAL TO ALTER CONDITION OF A WELL

APPLICATION

Well Name	Pars et al Cameron F-73		
Well Identifier	1992	Operations Authorization No.	DPA-P225-2009-01
Operator	Paramount Resources Ltd	Current Depth	1459m KB
NEB Operating Licence No.	1221	Licence No.	Production Licence 013
Contractor	Concord Well Servicing	Drilling Rig or Unit	41
Station Keeping	Not Applicable	Land Structure	Conventional Land
Current Well Status	Suspended	Anticipated Well Status Change	Suspended
Land Use Permit No.	MV2006A0032	Issued by:	Mackenzie Valley Land and Water Board
Water Licence No.	MV2006L1-0009	Issued by:	Mackenzie Valley Land and Water Board
Location	Unit	Section	Grid
	F	73	60 10 117 15
Coordinates (NAD 27)	Surface	Lat	Long
		60 ° 02 ' 23.8 "	117 ° 29 ' 29.1 "
	Bottom Hole	Lat	Long
		60 ° 02 ' 23.8 "	117 ° 29 ' 29.1 "
Ground Level / Seafloor	777.03 m	Elevation KB/RT	781.0 m
Approximate Date of Commencement	24-Jan-10	Est. Days on Location	3 days

WELL OPERATION PROGRAM

Activity Type	Top to Bottom Interval (m KB)	Comments
Suspension		Suspend Sulphur Pt 1442-1426.5 with bridge plug & cement
Select		

Additional Information

"I certify that the information provided on this form is true and correct"

Name	Andre Poitras	Telephone	403 206 3895
Job Designation	Drilling Manager	E-Mail	andre.poitras@paramountres.com
Operator	Paramount Resources Ltd		
Signature	D. Poitras	Date	2010-01-15
	Responsible Officer of Company		

NATIONAL ENERGY BOARD APPROVAL

(Board 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.

Job Designation	Chief Conservation Officer	Well Identifier	1992	Unique Well Identifier	300F136010117152
Signature	J. Mc. G.	Date	22 January 2010		
	NEB Authority				



JAN 19 2010

APPROVAL TO ALTER CONDITION OF A WELL

APPLICATION

Well Name	Para et al Cameron 2F-73		
Well Identifier	2025	Operations Authorization No.	DPA-P225-2009-01
Operator	Paramount Resources Ltd	Current Depth	1562m KB
NEB Operating Licence No.	1221	Licence No.	Production Licence 013
Contractor	Concord Well Servicing	Drilling Rig or Unit	41
Station Keeping	Not Applicable	Land Structure	Conventional Land
Current Well Status	Suspended	Anticipated Well Status Change	Suspended
Land Use Permit No.	MV2006A0032	Issued by:	Mackenzie Valley Land and Water Board
Water Licence No.	MV2006L1-0009	Issued by:	Mackenzie Valley Land and Water Board
Location	Unit	Section	Grid
	F	73	60 10 117 15
Coordinates (NAD 27)	Surface	Lat	Long
		60 ° 02 ' 24.2 "	117 ° 29 ' 29.1 "
	Bottom Hole	Lat	Long
		60 ° 02 ' 24.2 "	117 ° 29 ' 29.1 "
Ground Level / Seafloor	776.3 m	Elevation KB/RT	780.5 m
Approximate Date of Commencement	27-Jan-10	Est. Days on Location	3 days

WELL OPERATION PROGRAM

Activity Type	Top to Bottom Interval (m KB)	Comments
Suspension		Suspend Sulphur Pt 1525.5-1531.0 with bridge plug & cement
Select		

Additional Information

"I certify that the information provided on this form is true and correct"

Name	Andre Poitras	Telephone	403 206 3895
Job Designation	Drilling Manager	E-Mail	andre.poitras@paramountres.com
Operator	Paramount Resources Ltd		
Signature	<u>Dick Keenan for AP</u>	Date	2010-01-15
	Responsible Officer of Company		

NATIONAL ENERGY BOARD APPROVAL

(Board 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.

Job Designation	Chief Conservation Officer	Well Identifier	2025	Unique Well Identifier	302F736010117153
Signature	<u>J. McT</u>	Date	22 Jan P		
	NEB Authority				

Attachment
Approval to Alter Condition of a Well for
Para et al Cameron F-73 and Para et al Cameron 2F-73

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1. The Approval to Alter Condition of a Well for is to be displayed at a prominent place on the drill site. Also, copies of the *Canada Oil and Gas Drilling and Production Regulations* as well as the *Oil and Gas Occupational Safety and Health Regulations* are to be kept at each well site and available on request by any person on the well site.
2. Well suspension or abandonment operations are required to meet the requirements of the *Canada Oil and Gas Drilling and Production Regulations*.
3. Upon program termination a “Well Termination Record” is required to be submitted complete with a wellbore and wellhead schematics.
4. Paramount Resources Ltd. Shall, within 30 days of the completion of the proposed work, file with the Chief Conservation Officer, a confirmation by an officer of the company, that the authorized modifications were completed in compliance with all applicable conditions of authorization. If compliance with any condition cannot be confirmed, the officer of the company shall file with the Chief Conservation Officer details as to why compliance cannot be confirmed.
5. Daily reports are to be emailed to dailyreports@neb-one.gc.ca as per section 83 of the *Canada Oil and Gas Drilling and Production Regulations* by 8:30 am. Please contact Krista Wandler (phone number 403-299-2773) should there be any difficulty in delivery of the daily reports.
6. 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) including the Cameron Hills Environmental Protection Plan (EPP) Manual.



NEB File: 2620-D-4-7

24 May 2005

Mr. Ed Kustan
Paramount Resources Ltd.
4700 Bankers Hall West, 888 3rd Street SW
Calgary, AB T2P 5C5
Email: ed.kustan@paramountres.com

Dear Mr. Kustan:

Subject: Paramount Resources Ltd. Cameron Hills Field - Operating Conditions

The National Energy Board (NEB) requests that Paramount Resources Ltd. (Paramount) comply with the following air quality conditions on operations in its Cameron Hills field:

1. Paramount shall, as a component of environmental protection planning required for the Cameron Hills field under section 60. of the *Canada Oil and Gas Production and Conservation Regulations*, ensure that:
 - a. a qualified air quality specialist maintains operation of,
 - i. meteorological monitoring equipment to monitor and record wind speed, wind direction, standard deviation of wind direction and temperature on an instantaneous continuous basis, and,
 - ii. instantaneous, continuous gas analysis monitoring equipment to track ambient air quality, including, at a minimum, calculation and recording of 1 hour average SO₂, NO_x and H₂S concentrations;
 - b. data collected under conditions 1.a.i. and 1.a.ii. are submitted to the Chief Conservation Officer in a manner approved by the Chief Conservation Officer;
 - c. following Chief Conservation Officer approval of sufficient collection of meteorological data under condition 1.a.i., detailed re-modeling of the various development scenarios for the Cameron Hills field is undertaken by a qualified air quality specialist and submitted to the Chief Conservation Officer in a manner approved by the Chief Conservation Officer;

.../2.

- d. the report(s) prepared under condition 1.c. is made readily available to the parties to the Environmental Assessment (EA03-005) and the public in a manner approved by the Chief Conservation Officer;
- e. prior to new production from the Cameron Hills field, Paramount submit to the Chief Conservation Officer for approval, and make readily available to the parties to the Environmental Assessment (EA03-005) and the public in a manner approved by the Chief Conservation Officer, a Cameron Hills field emission mitigation plan that details,
 - a strategy for demonstrating that current and future SO₂, NO_x and H₂S emissions in the Cameron Hills field will not result in exceedence of relevant air quality standards,
 - a statement describing Paramount's commitment to minimizing emissions from facilities in the Cameron Hills field,
 - a contingency plan for selection of mitigation measures to be implemented in the event that SO₂, NO_x and H₂S emissions in the Cameron Hills field result in measured or predicted exceedence of relevant air quality standards, the contingency plan will include,
 - ⇒ a comprehensive listing of all the mitigation options (e.g., pollution prevention planning, best management/environmental practices, best available technology, shutdown) currently employed and proposed for future options, along with triggers and/or timelines for implementation, and
 - ⇒ the mitigation options considered and rejected, along with rationale for rejection; and,
- f. the air quality standards used for analysis of the data collected, modeled and reported, as per conditions 1a. to 1.e. above, are identified and justified in submissions to the Chief Conservation Officer.

2. Paramount shall, as a component of the annual environment report required under section 88. of the *Canada Oil and Gas Production and Conservation Regulations*, ensure that:
 - a. a plain language report on the status of air quality at Cameron Hills (including, at minimum, monthly summaries of SO₂, NO_x and H₂S concentrations, listing all events of exceedence of relevant air quality guidelines and re-modeled development scenarios as available) is prepared by a qualified air quality specialist and submitted to the Chief Conservation Officer;
 - b. evidence that current SO₂, NO_x and H₂S emissions in the Cameron Hills field do not result in exceedence of relevant air quality standards is submitted to the Chief Conservation Officer; and,
 - c. the report prepared under condition 2.a. is made readily available to the parties to the Environmental Assessment (EA03-005) and the public in a manner approved by the Chief Conservation Officer.
3. Paramount shall submit all components of the annual environment report required under section 88. of the *Canada Oil and Gas Production and Conservation Regulations* for the

- Cameron Hills field to the Chief Conservation Officer by June 1 2006 for the year 2005 and yearly thereafter.

Paramount will be required by the *Canada Oil and Gas Operations Act* to obtain authorizations from the NEB to undertake the proposed Cameron Hills field developments evaluated in the Environmental Assessment (EA03-005). Paramount has not yet applied for those authorizations. In anticipation of the receipt of applications, the NEB has drafted the following to be included in the conditions attached to any future authorizations in the Cameron Hills field:

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).

Paramount shall ensure that the environmental protection plan required under section 60. of the Canada Oil and Gas Production and Conservation 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.*

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.

Paramount shall ensure that the annual environment report required under section 88. of the Canada Oil and Gas Production and Conservation Regulations includes:

- *confirmation in plain language, by an officer of the company, that the approved [facilities (or activities)] were [completed and constructed (or 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.*

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.

Paramount shall submit all components of the annual environment report for the Cameron Hills field required under section 88. of the Canada Oil and Gas Production and Conservation Regulations to the Chief Conservation Officer by June 1 2006 for the year 2005 and yearly thereafter.

The contents of this letter do not eliminate any responsibility by Paramount to comply with any previous construction or operation conditions issued for the Cameron Hills field.

The NEB appreciates Paramount's initiative in the installation and operation of the meteorological and gas analysis monitoring equipment, in advance of receiving formal direction from the NEB. We look forward to further cooperation between the NEB, Paramount and the parties to the Environmental Assessment in implementing the recommended measures associated with operations in the Cameron Hills field.

Please contact Laura Van Ham, Environmental Specialist (tel: 403-292-4931) on or before 26 May 2005 if you have any questions or concerns regarding the above. After that time, please contact John Korec, Environmental Assessment Officer (tel: 292-6614).

Yours truly,



T.M. Baker
Chief Conservation Officer

c.c.: Ms. Shirley Maaskant, Paramount, email:Shirley.maaskant@paramountres.com
Mr. Vern Christensen, MVEIRB, email: vchristensen@mveirb.nt.ca
Mr. Herb Norwegian, Grand Chief, Deh Cho First Nation, fax: 867-695-2038
Mr. Roy Fabian, Chief, K'atlodeeche First Nation, fax: 867-874-3229
Ms. Karen Felker, Chief, West Point First Nations, fax: 867-874-2486
Mr. Albert Lafferty, President, Fort Providence Metis Local 57, fax: 867-699-4319
Mr. Lloyd Chicot, Chief, Ka'a'Gee Tu First Nation, fax: 867-825-2002
Mr. Greg Nyuli, Deh Gah Got'ie First Nation, fax: 867-699-3134
Mr. Rick Sanderson, Fort Providence Resource Management Board, fax: 867-699-3133
Mr. Rob Tordiff, President, Northwest Territories Metis Nation, fax: 867-872-2772
Mr. Gavin More, Government of Northwest Territories, email: gavin_more@gov.nt.ca
Mr. Bruce Hanna, Fisheries and Oceans Canada, email: HannaB@DFO-MPO.GC.CA
Mr. Fraser Fairman, Indian Northern Affairs Canada, email fairmanf@inac-ainc.gc.ca
Mr. Wade Romanko, Environment Canada, email: wade.romanko@ec.gc.ca
Mr. Stephen Mathyk, Mackenzie Valley Land and Water Board, fax: 867-873-6610