

June 25, 2010

National Energy Board
444 7th Ave SW
Calgary, AB
T2P 0X8

Attn: John McCarthy
Chief Conservation Officer – National Energy Board

Re: Paramount Resources Ltd – Cameron Hills Project
Well Reports

Mr. McCarthy,

Enclosed please find well reports for Paramount Resources Ltd drilling project in the Cameron Hills in the winter of 2010.

For the newly drilled wells (drilled under an Authorization to Drill a Well), a well report, incorporating the requirements of section 88 and 89 of Canada Oil and Gas Drilling and Production Regulations is enclosed for the following wells.

- Para et al Cameron 2B-09 60 10 117 30
- Para et al Cameron F-77 60 10 117 15
- Para et al Cameron H-06 60 10 117 30
- Para et al Cameron M-74 60 10 117 15
- Para et al Cameron N-06 60 10 117 30

For the suspended wells (cased hole work performed under Authorization to Alter the Condition of a Well), a Well Operations Report as per section 89 of Canada Oil and Gas Drilling and Production Regulations is enclosed for the following wells.

- Para et al Cameron 2F-73 60 10 117 15
- Para et al Cameron C-50 60 10 117 30
- Para et al Cameron F-73 60 10 117 15
- Para et al Cameron L-29 60 10 117 30
- Para et al Cameron M-49 60 10 117 30

Two hard copies and a disk with digital copies of each report have been submitted.

MAIL ROOM
SALLE DE COURIER
2010 JUN 28 A 9:31
NEB/ONE

These are in addition the Well Termination Reports, previously submitted.

If you have any questions, please contact Dick Heenan @ (403) 818-4408 or
dick.heenan@shaw.ca, or Andre Poitras @ (403) 290-3895 or
andre.poitras@paramountres.com.

Regards,



Dick Heenan, P. Eng.
Drilling Consultant



Paramount Resources Ltd

Well Operations Report

Para et al Cameron 2F-73 60 10 117 15

WID 2025

**Prepared by
Dick Heenan
June 23 2010**

D Heenan
2010/06/25

Paramount Resources Limited hereby submits the Well Operations Report on the subject well as required by Section 89 of the Canada Oil and Gas Drilling and Production Regulations

Objective

This program was performed to suspend the subject well as proposed in the letter from Mr. Tom Hong of Paramount to the Chief Conservation Officer of the National Energy Board, 2009-11-26.

Summary of Operations

The Concord 41 service rig was moved in and rigged up, along with safety equipment and P-tank and flare for blow-down of the well. The well was filled with 3% KCl, to kill and the sucker rods and tubing were removed. A bridge plug was set @ 1516mKB with electric wireline, the well topped off with inhibitor, and the plug pressure tested to 17Mpa. Then 30 meters of cement was dump bailed on top of the plug. The BOP was removed and the wellhead re-installed.

A copy of the Daily Reports as submitted to the NEB per Section 83 of the Canada Oil and Gas Drilling and Production Regulations is enclosed in Appendix 3.

Completion Fluid Properties

The well was filled with fresh water with BJ Techni-Hib 606W @ 5000ppm “packer fluid” – a combination of oxygen scavenger and corrosion inhibitor as show in the well schematic supplied with the Well Termination Report.

Well Schematic & Tubular Goods

A copy of the downhole well schematic and tubular goods, as supplied with the Well Termination Report, is enclosed in Appendix 1.

Christmas Tree

A copy of the Christmas tree and wellhead diagram is enclosed in Appendix 2.

Production Control System

The well is shut-in and not connected to any production system at present.

Details of Any Impact of any Well Operation That May Effect Recovery

As per the Application to Alter the Condition of a Well (AACW), and the above description, this operation was performed to suspend a non-economic well. The well configuration was left to allow the well to be abandoned as per Section 56 of the Canada

Oil and Gas Drilling and Production Regulations, or to allow the cement and bridge plug to be drilled out and the well put back on production at a later date. This well was shut-in as it is not an economic producer. For this reason, the operation will not further affect the recovery of hydrocarbons from the wellbore.

Rig Release Date

As per the previously submitted Daily Reports, the rig was released 20100126.

Appendices

Appendix 1 Downhole Diagram

Appendix 2 Wellhead Configuration

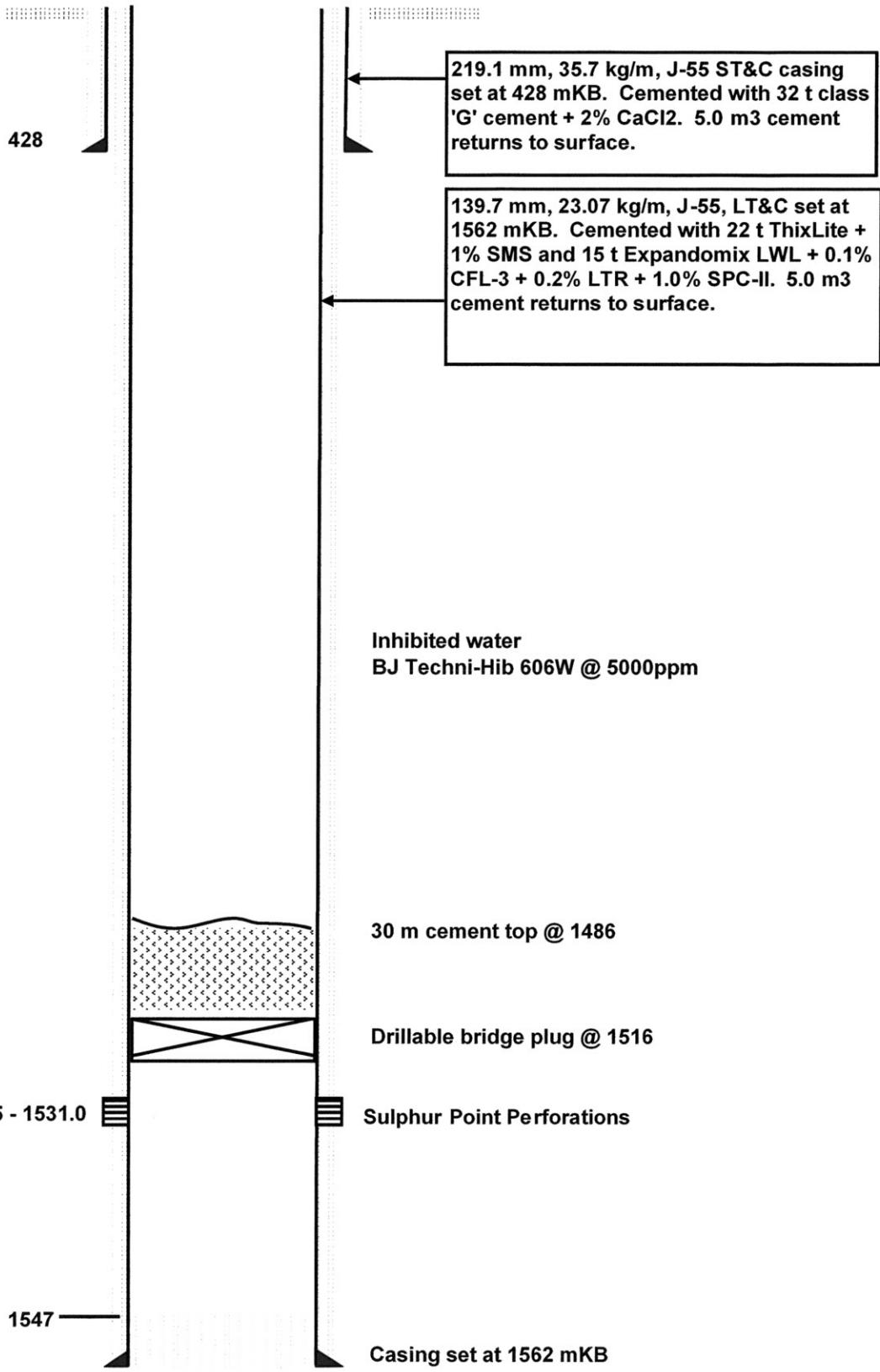
Appendix 3 Daily Reports

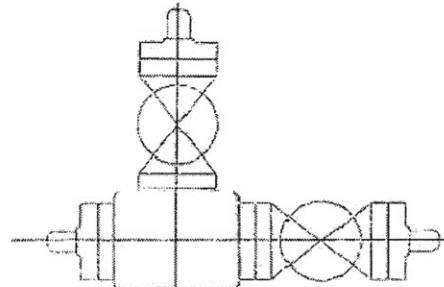
PARAMOUNT ET AL CAMERON 2F-73

60° 10' N, 117° 15' W

Bottom Hole Diagram (as suspended 2010)
Wellhead in place - no tubing

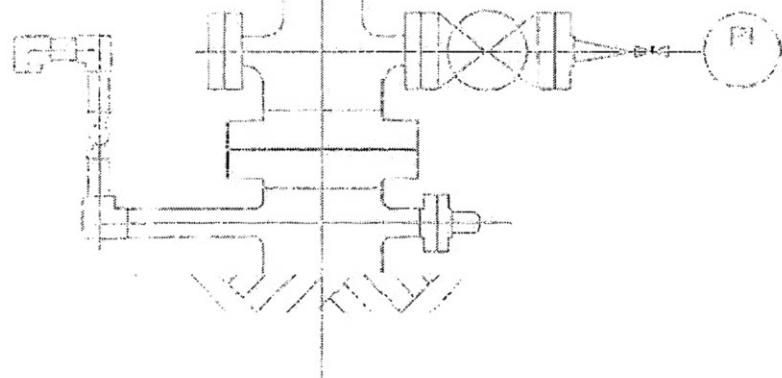
KB: 780.5 m
GL: 776.3 m





DOUBLE RADIGAN
5000 PSI

2 1/16" 5000#



WELLHEAD DETAILS

WELL NAME 2F-73

201, 6000#
2c 3x
Sec 4 TOP HFO

LOCATION

100000
Last Review Date



Daily Completion and Workover

PARA ET AL CAMERON 2F-73
Rig: Concord Well Service

Business Unit: NW ALBERTA COU

Report Date: 1/23/2010

Report #: 1.0

Total AFE Amount:

AFE Number: Para

Daily Cost Total: 81,082

Cum Cost to Date: 81,082

API/UWI 302F736010117150	Surface Legal Location Para et al Cameron 2F - 73	Field Name Cameron Hills	License No. 0002025
Well Configuration Type Vertical	Casing Flange Elevation (m) 780.50	Ground Elevation (m) 776.30	Original KB Elevation (m) 780.50
Last Casing String	PBTD (All) (mKB)	Casing Pressure (kPa) 4,000	Tubing Pressure (kPa) 2,200

Objective

Pull rods and tubing , set drillable bridge plug and bail cement .

Operations Summary

Finish rigging out equipment on H - 03 , help snow cat on 2F - 73 . Remove flowline from well head . Build pad around well head for rig , move and spot rig and equipment on location . Fire boil , start heating kill fluid in rig tank

Operations Next Report Period

Finish rigging up , pull rods and tubing

Road Condition Rough	Weather Snowing	Start Date 1/23/2010	End Date
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Daily Contacts

Title	Job Contact	Mobile
Wellsite Supervisor	Kim MacLeod	780 542 - 1897
Rig Manger	Dwayne Palmer	403 357 - 6841
Test Supervisor	Kevin Bartholow	403 994 - 0434
P Enginer	Dick Heenan	403 818 - 4408

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Comment
07:00	07:30	0.50	0.50	Held safety meeting with all personal on location .
07:30	12:30	5.00	5.50	Start cleaning up 2F - 73 with snow cat , wait on water trucks .
12:30	16:30	4.00	9.50	Move equipment from H - 03 , spot on 2F - 73 .
16:30	18:30	2.00	11.50	Spot vessel and flare stack , Rig up 60m3 and H2S scrubber . Spot Acc shack , boiler and safety equipment . Spot garbage bin and fuel skid .
18:30	19:30	1.00	12.50	Rig up boiler , start heating up well head . Un - load 25m3 KCL into rig tank , secure well and location .
19:30	19:30		12.50	

Report Fluids Summary

Fluid	To well (m³)	From well (m³)	Cum from Well (m³)	Left to recover (m³)
<none>	0.00	0.00	0.00	0.00
Water			0.00	0.00

Perforations

Date	Zone	Top (mKB)	Btm (mKB)	Current Status
1/23/2010	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/11/2008	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/12/2008	Sulphur Point, Original Hole	1,525.50	1,531.00	

Tubing Components

Item Description	Top (mKB)

Casing Strings

Casing Description	Grade	Wt (kg/m)	Set Depth (mKB)



Daily Completion and Workover

PARA ET AL CAMERON 2F-73
Rig: Concord Well Service

Business Unit: NW ALBERTA COU

Report Date: 1/24/2010

Report #: 2.0

Total AFE Amount:

AFE Number: Para

Daily Cost Total: 27,686

Cum Cost to Date: 108,768

API/UWI 302F736010117150	Surface Legal Location Para et al Cameron 2F - 73	Field Name Cameron Hills	License No. 0002025
Well Configuration Type Vertical	Casing Flange Elevation (m) 780.50	Ground Elevation (m) 776.30	Original KB Elevation (m) 780.50
Last Casing String	PBTD (All) (mKB)	Casing Pressure (kPa) 4,000	Tubing Pressure (kPa) 2,200

Objective

Pull rods and tubing , set drillable bridge plug and bail cement .

Operations Summary

Stand service rig , rig in pump lines to well head , Rig up testers to casing . Kill well , pull rods and tubing .

Operations Next Report Period

Finish POOH tubing , set bridge plug bail cement

Road Condition Rough	Weather Snowing / Windy	Start Date 1/23/2010	End Date 1/26/2010
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Daily Contacts

Title	Job Contact	Mobile
Wellsite Supervisor	Kim MacLeod	780 542 - 1897
Rig Manger	Dwayne Palmer	403 357 - 6841
Test Supervisor	Kevin Bartholow	403 994 - 0434
P Enginer	Dick Heenan	403 818 - 4408

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Comment
07:00	07:30	0.50	0.50	Held pre - job safety meeting with all personal on location , walk around equipment inspection .
07:30	09:00	1.50	2.00	Finish rigging up Concord rig # 41 rig , pump , tank and vessel .
09:00	11:00	2.00	4.00	Remove horse head from pump jack , pressure test tubing to 7,000 kPa . Good test , try un - seating bottom hole pump . No un - seating action
11:00	13:30	2.50	6.50	Reverse circulate well , pump total 17m3 KCL down casing returns to vessel . Continue working rod string , try poor boy jarring on bottom hole pump . Bottom hole pump broke free , try pumping down tubing . Tubbing pressured up to 7,000 kPa , pull and lay down polish rod . Rig up rig floor and rod regan , function and test regan . Good test . Pulled and laid down 10 - sucker rods , pumped 1m3 down tubing .
13:30	16:30	3.00	9.50	Pull out of hole sucker rods laying onto ground , rods pulling heavy in wax . Swabbing fluid while pulling rods , laid out total 200 sucker rods . 64 - 22mm , 96 - 19mm twister guided , 40 - 19mm ryton guided , Bottom hole pump # CEF - 8000 . Bottom 40 - 19mm sucker rods worn .
16:30	18:00	1.50	11.00	Remove rod regan , install safety valve . Rig down sucker rod equipment and work floor , clean up around well head . Pump 6m3 down tubing for well control .
18:00	20:30	2.50	13.50	Remove sucker rod well head , pull tubing hanger . Install pup joint below tubing hanger , re - land tubing hanger . Stump test BOP stack , good test . Install class III BOP stack , function and pressure test BOP stack . Rig up work floor and tubing equipment .
20:30	21:30	1.00	14.50	Release tubing anchor , pull and lay down tubing hanger . Pull and lay down onto pipe racks 10 - joint's 73mm tubing .
21:30	22:00	0.50	15.00	Install safety valve , close and lock pipe rams . secure well and location .

Report Fluids Summary

Fluid	To well (m³)	From well (m³)	Cum from Well (m³)	Left to recover (m³)
<none>			0.00	0.00
Water	25.00	2.00	2.00	0.00

Perforations

Date	Zone	Top (mKB)	Btm (mKB)	Current Status
1/23/2010	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/11/2008	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/12/2008	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/24/2010	Sulphur Point, Original Hole	1,525.50	1,531.00	

Tubing Components

Item Description	Top (mKB)

Casing Strings

Casing Description	Grade	Wt (kg/m)	Set Depth (mKB)
Production	J-55	23.067	1,562.00



Daily Completion and Workover

Report Date: 1/25/2010

PARA ET AL CAMERON 2F-73

Report #: 3.0

Rig: Concord Well Service

Total AFE Amount:

AFE Number: Para

Business Unit: NW ALBERTA COU

Daily Cost Total: 37,765

Cum Cost to Date: 146,533

API/UWI 302F736010117150	Surface Legal Location Para et al Cameron 2F - 73	Field Name Cameron Hills	License No. 0002025
Well Configuration Type Vertical	Casing Flange Elevation (m) 780.50	Ground Elevation (m) 776.30	Original KB Elevation (m) 780.50
Last Casing String	PBTD (All) (mKB)	Casing Pressure (kPa) 0	Tubing Pressure (kPa) 0

Objective

Pull rods and tubing , set drillable bridge plug and bail cement .

Operations Summary

Finish pulling out of hole tubing string , set bridge plug . Pressure test , bail 30m cement .

Operations Next Report Period

Rig down rig , move to F - 73 .

Road Condition Rough	Weather Windy	Start Date 1/23/2010	End Date 1/26/2010
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Daily Contacts

Title	Job Contact	Mobile
Wellsite Supervisor	Kim MacLeod	780 542 - 1897
Rig Manger	Dwayne Palmer	403 357 - 6841
Test Supervisor	Kevin Bartholow	403 994 - 0434
P Enginer	Dick Heenan	403 818 - 4408

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Comment
07:00	07:30	0.50	0.50	Held pre - job safety meeting with all personal on location on working in cold weather and working with steam lines . Inform plant (Stan) of ongoing job on 2F - 73 .
07:30	08:00	0.50	1.00	Check pressures on well , SITP @ 0 kPa , SICP @ 0 kPa . Un - lock pipe rams . Pump 1m3 down cassing for well control . Remove safety valve .
08:00	11:00	3.00	4.00	Continue pulling out of hole 73mm tubing laying onto pipe racks . Pump metal displacement every 40 - joint's 73mm tubing , rotate tubing anchor on way out of hole . Laid down 156 - joints 73mm tubing , tubing anchor 139.7mm , 2 - joint's tubing , pump seating nipple , pup joint .
11:00	13:00	2.00	6.00	Rig up weathervane E - line truck , held safety meeting . Ensure all phones tuned off , run into hole with weatherford bridge plug . Log into place bridge plug to 1516mKB , set bridge plug . Pull out of hole , start making up cement bailer .
13:00	14:00	1.00	7.00	Fill casing with BJ packer inhibitor , pressure test casing to 17,000 kPa . Monitor for 15 minutes , good test .
14:00	18:30	4.50	11.50	Make up cement bailer on cat walk , make 2 - runs with cement bail . Third run miss run , empty bailer @ surface . Make up new cement bailer electric charge on glass .
18:30	20:30	2.00	13.50	Run into hole 2 - runs with electrical charge on glass . Finish bailing 30m cement on top of bridge plug . Rig down and release weatherford e - line truck .
20:30	21:00	0.50	14.00	Drain pump lines and rig pump , close and lock blind rams . Secure well and location .

Report Fluids Summary

Fluid	To well (m³)	From well (m³)	Cum from Well (m³)	Left to recover (m³)
<none>			0.00	0.00
Water	7.00	0.00	2.00	0.00

Perforations

Date	Zone	Top (mKB)	Btm (mKB)	Current Status
1/23/2010	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/11/2008	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/12/2008	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/24/2010	Sulphur Point, Original Hole	1,525.50	1,531.00	

Tubing Components

Item Description	Top (mKB)

Casing Strings

Casing Description	Grade	Wt (kg/m)	Set Depth (mKB)
Production	J-55	23.067	1,562.00



Daily Completion and Workover

Report Date: 1/26/2010

PARA ET AL CAMERON 2F-73
Rig: Concord Well Service

Report #: 4.0

Business Unit: NW ALBERTA COU

Total AFE Amount:

AFE Number: Para

Daily Cost Total: 5,537

Cum Cost to Date: 152,070

API/UWI 302F736010117150	Surface Legal Location Para et al Cameron 2F - 73	Field Name Cameron Hills	License No. 0002025
Well Configuration Type Vertical	Casing Flange Elevation (m) 780.50	Ground Elevation (m) 776.30	Original KB Elevation (m) 780.50
Last Casing String	PBTD (All) (mKB)	Casing Pressure (kPa) 0	Tubing Pressure (kPa) 0

Objective
Pull rods and tubing , set drillable bridge plug and bail cement .

Operations Summary

Finish rigging down rig , move BOP stack with picker truck . Clean up around well head .

Operations Next Report Period

Hand - over to production

Road Condition Rough	Weather Cloudy	Start Date 1/23/2010	End Date 1/26/2010
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Daily Contacts

Title	Job Contact	Mobile
Wellsite Supervisor	Kim MacLeod	780 542 - 1897
Rig Manger	Dwayne Palmer	403 357 - 6841
Test Supervisor	Kevin Bartholow	403 994 - 0434
P Enginer	Dick Heenan	403 818 - 4408

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Comment
07:00	07:30	0.50	0.50	Held pre - job safety meeting on rigging down boiler lines , inform all personal of blowing down boiler procedures before blowing down .
07:30	09:00	1.50	2.00	Rig down rig , pump , tank , and bioler lines . Move testers lines away from well head .
09:00	10:30	1.50	3.50	Tight location ,no room between well heads for equipment . Used picker truck to remove class III BOP stack . Set class III BOP stack beside F - 73 well head . Install pumping style well head with valve on top , secure well and location . Clean up around well head

Report Fluids Summary

Fluid	To well (m³)	From well (m³)	Cum from Well (m³)	Left to recover (m³)
<none>			0.00	0.00
Water			2.00	0.00

Perforations

Date	Zone	Top (mKB)	Btm (mKB)	Current Status
1/23/2010	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/11/2008	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/12/2008	Sulphur Point, Original Hole	1,525.50	1,531.00	
1/24/2010	Sulphur Point, Original Hole	1,525.50	1,531.00	

Tubing Components

Item Description	Top (mKB)

Casing Strings

Casing Description	Grade	Wt (kg/m)	Set Depth (mKB)
Production	J-55	23.067	1,562.00