

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 F-73 60 10 117 15

WID 1992

**Prepared by
Dick Heenan
June 24 2010**

2010/06/25

D Heenan

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 killed with 3% KCl water and the tubing was removed. A bridge plug was set @ 1413mKB E-line. The well was filled with inhibitor and KCL water, and the plug pressure tested to 17Mpa. Then 30 meters of cement was dump bailed on top of the plug. 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 shown 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 was 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 20100127.

Appendices

Appendix 1 Downhole Diagram

Appendix 2 Wellhead Configuration

Appendix 3 Daily Reports

PARAMOUNT ET AL CAMERON F-73

60° 10' N, 117° 15' W WID: 1992

As suspended 20100127

KB: 781.70 m
GL: 777.03 m

429

219.1 mm, 35.7 kg/m, J-55 ST&C casing set at 429 mKB. Cemented with 33 t class 'G' cement + 2% CaCl2. 8.0 m3 cement returns to surface.

139.7 mm, 20.83 kg/m, J-55/ ST&C from surface - 465 mKB.
139.7 mm, 23.07 kg/m, K-55/ LT&C from 465 - 1324 mKB.
139.7 mm, 20.83 kg/m, J-55/ LT&C from 1324 - 1459 mKB.
Cemented with 20.7 t Fill Lite 2-125 + 3% A-9 + 0.6% R-3 and 8 t 'G' cement + 0.1% R-3 + 0.4% FL-77. 15.0 m3 cement returns to surface.

Inhibited water
BJ Techni-Hib 606W @ 5000ppm

30 m cement (top @ 1383 mKB)

Drillable bridge plug @ 1413 mKB

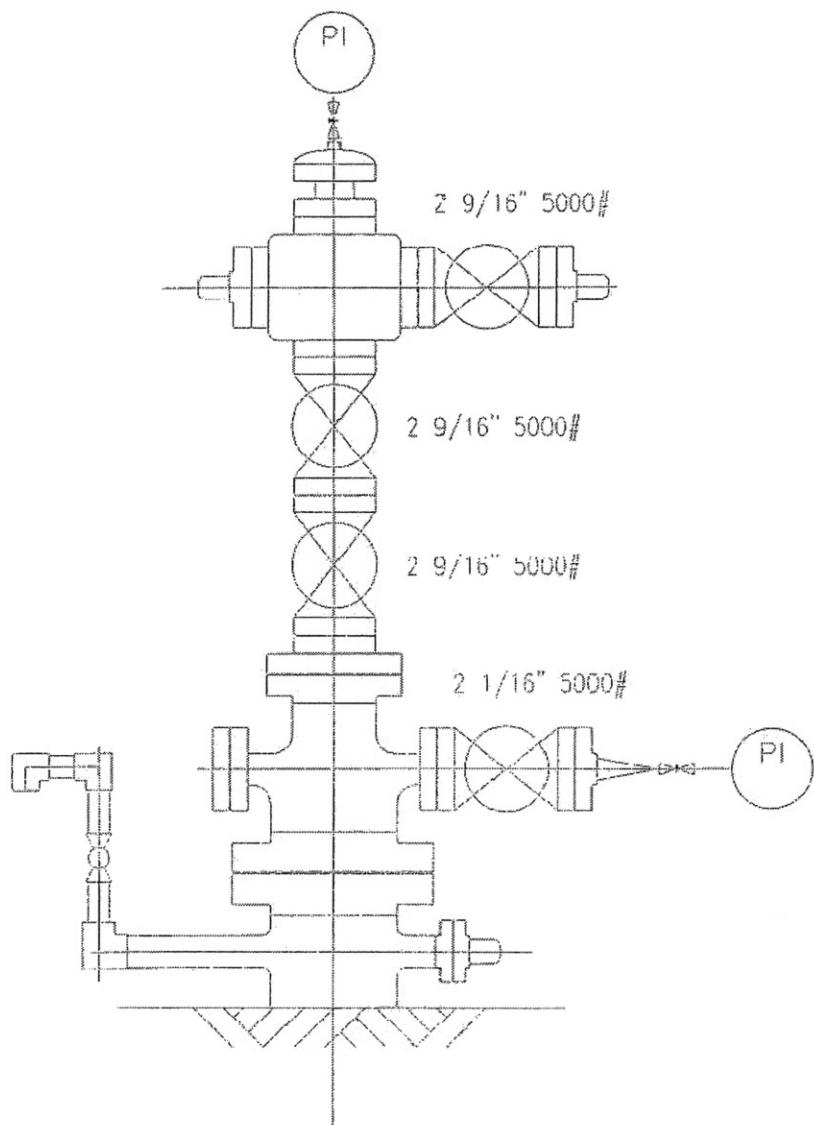
Sulphur Point Perforations

1422.0 - 1426.5

1447

Total Depth = 1459

Casing set at 1459 mKB



WELLHEAD DETAILS

WELL NAME _____
LOCATION F-73

Date: 090908
By: KW
Rev. A FOR INFO

Wellhead
Last Review Date:



Daily Completion and Workover

PARA CAMERON HILLS F-73

Rig:

Business Unit: NE BC & NWT COU

Report Date: 1/26/2010

Report #: 1.0

Total AFE Amount:

AFE Number:

Daily Cost Total: 23,198

Cum Cost to Date: 23,198

API/UWI 300/F-73/6010-11715/0	Surface Legal Location F-73-6010-11715/0	Field Name	License No. 0001992
Well Configuration Type	Casing Flange Elevation (m)	Ground Elevation (m) 774.90	Original KB Elevation (m)
Last Casing String	PBTD (All) (mKB)	Casing Pressure (kPa) 920	Tubing Pressure (kPa) 0

Objective

Suspend sulphur point with bridge plug

Operations Summary

Finished rigging down rig , move to F - 73 . Rig up rig and equipment , kill well . N / U BOP stack , pull tubing out of hole .

Operations Next Report Period

Rig up E - line , set bridge plug and bail cement . Rig down equipment .

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

Title	Job Contact	Mobile
Rig Manager	Dwayne Polmer	780 833 - 3843
Wellsite Supervisor	Kim MacLeod	780 542 - 1897
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
07:01	07:31	0.50	0.50	Held pre - job safety meeting on rigging down equipment in hours of darkness , pinch points laying over rig derrick .
07:31	08:31	1.00	1.50	Finish laying down rig , move rig off matts .
08:31	11:01	2.50	4.00	Move rig mats , cat walk and pipe racks . Spot rig BOP stack close to well head with picker .
11:01	13:01	2.00	6.00	Rig up rig pump , tank and boiler . Rig up testers to well head , pump 8m3 down casing 6m3 down tubing . Monitor tubing , confirm dead .
13:01	16:01	3.00	9.00	Nipple down well head , nipple up class III BOP stack . Function and pressure test , good test . Rig up work floor and tubing equipment , install tarp around work floor .
16:01	19:31	3.50	12.50	Release tubing anchor , pull and lay down tubing hanger . Pull out of hole laying down onto pipe racks . Continue pulling out of hole with 73mm tubing . Pulled 1 - joint 73mm tubing , 1 - pup joint , 145 - joint's 73mm tubing , tubing anchor , 1 - joint tubing , pump seat nipple , 1 - perforated joint tubing , re - entry guide .
19:31	20:01	0.50	13.00	Close and lock blind rams , drain pump lines . Secure well and location .

Report Fluids Summary

Fluid	To well (m³)	From well (m³)	Cum from Well (m³)	Left to recover (m³)
Other			0.00	0.00
Water	14.00	0.00	0.00	0.00

Perforations

Date	Zone	Top (mKB)	Btm (mKB)	Current Status
1/26/2010	Sulphur Point, Original Hole	1,422.00	1,426.50	

Tubing Components

Item Description	Top (mKB)

Casing Strings

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



Daily Completion and Workover

Report Date: 1/27/2010

PARA CAMERON HILLS F-73

Report #: 2.0

Rig:

Total AFE Amount:

AFE Number:

Daily Cost Total: 24,349

Cum Cost to Date: 47,547

Business Unit: NE BC & NWT COU

API/UWI 300/F-73/6010-11715/0	Surface Legal Location F-73-6010-11715/0	Field Name	License No. 0001992
Well Configuration Type	Casing Flange Elevation (m)	Ground Elevation (m) 774.90	Original KB Elevation (m)
Last Casing String	PBTD (All) (mKB)	Casing Pressure (kPa) 0	Tubing Pressure (kPa) 0

Objective

Suspend sulphur point with bridge plug

Operations Summary

Rig up weatherford e - line truck , set bridge plug @ 1413m . Bail 30m cement on top , rig down all services .

Operations Next Report Period

Move to Cameron Hills H - 03

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

Title	Job Contact	Mobile
Rig Manager	Dwayne Polmer	780 833 - 3843
Wellsite Supervisor	Kim MacLeod	780 542 - 1897
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 e - line procedures , walk around equipment .
07:30	11:00	3.50	4.00	Check pressure on well , SICP @ 0 kPa . Un - lock blind rams , rig up weatherford e - line truck . Held safety meeting with all personal on location , turn off all communication . Run into hole with weatherford bridge plug , log to confirm depth . Set plug @ 1413mKB , pull out of hole . Make up cement bailer .
11:00	12:00	1.00	5.00	Fill casing with BJ chemical , packer fluid and KCL water . Pressure test to 17,000 kPa , monitor for 15 minutes . Good test . Bleed off pressure to rig tank .
12:00	15:30	3.50	8.50	Make up weatherford cement bailer , 2 - runs with soft break bailer , third run with electrical charge bailer . Rig down and release weatherford e - line truck .
15:30	17:00	1.50	10.00	Rig down tubing equipment and work floor , nipple down class III BOP stack . Pump 3 linear meters of diesel down casing . Install well head .
17:00	19:00	2.00	12.00	Rig down rig , pump , tank and boiler . Drain and cool down boiler , rig out rams air lines and safety trailer . Rig down flare stack and vessel . Clean up around well head , secure well and location .

Report Fluids Summary

Fluid	To well (m³)	From well (m³)	Cum from Well (m³)	Left to recover (m³)
Other			0.00	0.00
Water	14.00	0.00	0.00	14.00

Perforations

Date	Zone	Top (mKB)	Btm (mKB)	Current Status
1/26/2010	Sulphur Point, Original Hole	1,422.00	1,426.50	

Tubing Components

Item Description	Top (mKB)

Casing Strings

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