

**APPROVAL TO ALTER CONDITION OF A WELL****APPLICATION**

This application is submitted under Section 10 of the Canada Oil and Gas Drilling and Production Regulations (SOR/2009-0315). When granted under Section 13 of the Regulations, this form is the requisite approval for the commencement of well operations. An approved copy of this notice is to be posted at each drill site.

Well Name Paramount et al Liard K-29A
Well Identifier 2030 Operations Authorization No. _____
Operator Paramount Resources Ltd. Current Depth 3620 m KB
NEB Operating Licence No. 1221 Licence No. Production Licence 011
Contractor Concord Well Servicing Drilling Rig or Unit 8
Station Keeping Not Applicable Land Structure Conventional Land
Current Well Status Suspended Gas Anticipated Well Status Change Suspended Gas
Land Use Permit No. MV2006P0021 Issued by: Mackenzie Valley Land and Water Board
Water Licence No. MV2006L1-0005 Issued by: Mackenzie Valley Land and Water Board
Location Unit K Section 28 Grid 6030°123'30"
Coordinates (pub 27) Surface Lat 60°28'41.0" Long 123°35'4.1"
Bottom Hole Lat 60°28'18.7" Long 123°35'60.0"
Ground Level / Seafloor 409.6 m Elevation KB/RT 416.4 m
Approximate Date of Commencement 29-Aug-11 Est. Days on Location 10 days

WELL OPERATION PROGRAM

Activity Type	Top to Bottom Interval (m KB)	Comments
Suspension	2568-3620	Long term suspension of Nahanni Interval.
Select		
Select		
Select		
Select		

Additional Information

The well was previously suspended with tubing plugs in the 114 mm tubing in 2008. Pressure has developed on the annulus between the 114 mm tubing and the production casing. The current suspension calls for the removal of the 114 mm tubing above the seal bore assembly at 2526 mKB and installation of permanent bridge plugs in the production liner and intermediate casing.

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

Name Andre Poltras Telephone (403) 206-3895 Ext
Job Designation Drilling and Completions Manager E-Mail andre.poltras@paramountres.com
Operator Paramount Resources Ltd.
Signature [Signature] Date July 28, 2011
Responsible Officer of Company

NATIONAL ENERGY BOARD APPROVAL

(Board Use Only)

This well approval is granted under section 13 of the Canada Oil and Gas Drilling and Production Regulations (SOR/2009-0315) and is subject to the terms and conditions attached to this approval and Operations Authorization No. 0A-1221-005

Job Designation Chief Conservation Officer Well Identifier 2030 Unique Well Identifier 3mk29630103303
Signature [Signature] Date AUG 26 2011
NEB Authority

