



NATIONAL ENERGY BOARD
Exploration and Production

MAR 30 2012

N E B COPY

Well Operations Report

2M-73 6010 117 15

WID: 2026

Cameron Hills, Winter 2012

Prepared by: Lisa Moffat
403-290-3662



100023121

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Daily Activity and Cost Summary

Paramount
resources ltd.

Well Name: PARA ET AL CAMERON 2M-73

API/UW 302M73/6010117150	Surface Legal Location Para et al Cameron 2M - 73	License # 0004107	Field Name Cameron Hills	State/Province NWT
Well Configuration Type Deviated	Original KB Elevation (m) 776.05	KB-Ground Distance (m)	KB-Casing Flange Distance (m) 4.25	KB-Tubing Head Distance (m) 3.80

Job Category Completion	Primary Job Type Workover	Secondary Job Type Pump repair
Start Date 1/9/2012	End Date 2/16/2012	Total AFE Amount (Cost) 248,440.00

Objective Repair rods / tubing string as required
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Summary

Contractor Nabors Production Services	Rig Number 414	Rig Type
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Rpt #	Start Date	End Date	Day Total (Cost)	Cum To Date (Cost)	Summary
1.0	1/9/2012	1/10/2012	71,222	71,222	Moved equipment from Edmonton to High Level. Scouted lease for access. Conducted camp inspection with HSE advisor.
2.0	1/10/2012	1/10/2012	23,520	94,742	HSE Report, No accidents or incidents to report. Held Paramount orientation with rig, test crew and truckers. Moved test equipment to H-03 rack site. Moved in rig Catwalk and boiler. Spotted on location. Rig equipment problems at rack site in Indian Cabins. Unable to start 2 pieces of equipment due to cold temperatures.
3.0	1/11/2012	1/11/2012	40,630	135,372	HSE Report No accidents or incidents to report. Discussed rig move and spotting procedures with all personnel. Reviewed Safe Work Permits/ Hazard Assessment #'s 6776 & 2672. Moved in and spotted Nabors 414 and support equipment complete. Conducted SCVF "bubble test" No flow detected. Filled and fired boiler.
4.0	1/12/2012	1/12/2012	15,040	150,412	HSE Report, No incidents or accidents to report. Reviewed JSA/ safe work permit 6777. Secured pump jack counter weights. Checked well head pressures and H2s content. None recorded. Raised rig, rigged in steam, removed horse head and checked string weight. Suspect parted rods
5.0	1/13/2012	1/13/2012	17,657	168,069	HSE Report. No incidents or accidents to report. Discussed "fishing" operation and general H2S safety. Pressure tested pump to 5 MPa. Tests good. Pumped 7.0m3 water to well. Pulled 70x 7/8" & 3x 3/4" rods. (clean break midpoint # 74) Made up and ran in "Overshot" and 60 rods. Secured well above fish for night.
6.0	1/14/2012	1/14/2012	17,490	185,559	HSE Report. No incidents or accidents to report. Picked up and continued to run to fish top. Spang on with overshot, pull over, unseat and POOH with rods/BHP.
7.0	1/15/2012	1/15/2012	34,143	219,701	HSE Report. No incidents or accidents to report. Slickline tagged for fill @ 1504.3 mKB (same as initial completion) Ran pump and rods as previous configuration changing out broken rod and BHP. Seat and pressure test pump in AM.
8.0	1/16/2012	1/16/2012	29,244	248,946	HSE Report. No incidents or accidents to report. Landed pump and pressure tested to 7 MPa. Installed horse head & rigged out rig + support equipment.
9.0	1/17/2012	1/17/2012	35,305	284,251	HSE Report, No incidents or accidents reported. Continued to rig out remaining equipment. Reviewed Safe work permit. Loaded and moved to E-52
10.0	2/10/2012	2/10/2012	38,021	322,271	Move Nabors #414, Pure Energy Plank and supporting services from 2H-03 to location. Spot and rig in as per Paramount and government regulation. Fill and pressure test tubing to 5MPa for 10min, good test. Begin pulling out of hole with parted rod string. No HSE incidents reported. Hazard identifications discussed for rig move, spotting of equipment, standing derrick and tripping rods.
11.0	2/11/2012	2/11/2012	28,662	350,933	Pull out of hole with parted rod string, find break at bottom of rod #41 from surface, broken at upset just above rod coupling. Run in hole with rod overshot and 1 13/16" basket grapple, locate and retrieve 2 additional rods, second rod break at bottom of rod #43. Rod breaks appear to be caused by over torque. Run in hole with overshot and 1 11/16" grapple, locate and latch fish. Pull and unseat BHP, flush tubing with 5m3 fresh water. Pull, inspect and layout rod string. No HSE incidents reported. Hazard identifications discussed for tripping rods.



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12.0	2/12/2012	2/12/2012	19,435	370,368	HSE Report. No incidents or accidents reported. Inspected rod string for wear. 7/8 rods down to breaking point appear over torqued. Surfaces on both collar and pin and visibly damaged. Moved in 42 7/8 HS scraped rods from 2H-03. Changed out packing in stuffing box. Surfaced tested new rod pump. Prepped to RIH in AM.
13.0	2/13/2012	2/13/2012	23,433	393,801	HSE Report. No incidents or accidents reported. Moved used rods back to K camp rack site. Conducted rig maintenance.
14.0	2/14/2012	2/14/2012	24,138	417,938	HSE Report. Operations had to be suspended as H2s hand became ill (Non work related) and was sent into High Level to see a doctor. Met with AANDC rep's Norm & Jada. Discussed ongoing operations and environmental concerns. Moved in and unloaded new rod string as per Calgary design. Conducted general maintenance around rig.
15.0	2/15/2012	2/15/2012	50,106	468,044	HSE Report. No incidents or accidents reported. Ran new BHP & HS rod string as per Calgary design. Pressure & stroke tested to 5 MPa. Good. Set 16" off tap. Installed Horse head and lay over service rig.
16.0	2/16/2012	2/16/2012	79,024	547,068	HSE Report. No incidents or accidents reported. Rigged out remaining equipment. Ensured jack was pumping before leaving location with equipment. Cleaned up lease and area.



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Daily Fluids

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Report Number 16.0	Report Start Date 2/16/2012 07:30	Report End Date 2/16/2012 12:00	Daily Field Est Total (Cost) 80,349	Cum Field Est To Date (Cost) 548,393		

Lease Fluids

Fluid	To Lease (m ³)	Source	From Lease (m ³)	Dest	Dens (kg/m ³)	BS&W (%)	Ref #	Carrier	Note
Fresh Water			10.00	H03 plant for disposal			5013054	Big Eagle	Rig tank fluid

Well Fluids

Fluid	To (m ³)	From (m ³)	Dens (kg/m ³)	BS&W (%)	Non-recov (m ³)	Zone	Note

Report Fluids Summary

Fluid	Cum to Lease (m ³)	Cum fm lease (m ³)	Lease Bal (m ³)	Cum to Well (m ³)	Cum from Well (m ³)	Left to recover (m ³)	Cum Non-recov (m ³)
Fresh Water	38.00	10.00	0.00	28.00	0.00	28.00	



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Schematic - Current

Well Name: PARA ET AL CAMERON 2M-73

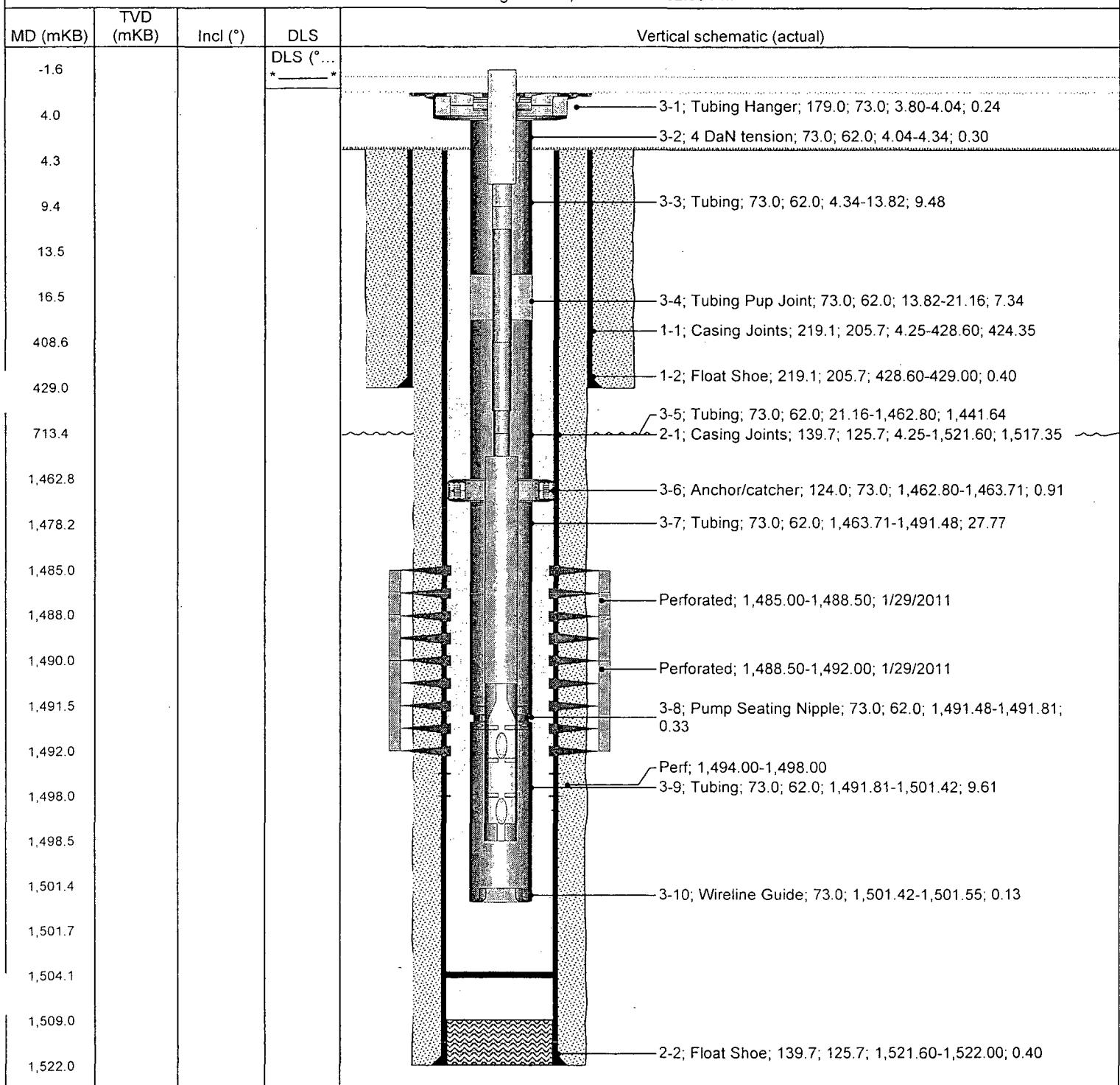
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Most Recent Job

Job Category Completion	Primary Job Type Workover	Secondary Job Type Pump repair	Start Date 1/9/2012	End Date 2/16/2012
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TD: 1,522.00

Deviated - Original Hole, 3/21/2012 2:02:56 PM





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TD: 1,522.00

Deviated - Original Hole, 3/21/2012 3:19:27 PM

MD (mKB)	TVD (mKB)	Incl (°)	DLS (°/30m)	Vertical schematic (actual)
-1.6				5-1; Polished Rod; 31.8; -1.55- 7.59; 9.14
3.8				3-1; Tubing Hanger; 179.0; 73.0; 3.80-4.04; 0.24
4.0				3-2; 4 DaN tension; 73.0; 62.0; 4.04-4.34; 0.30
4.2				
4.3				
7.6				5-2; Pony Rod; 22.2; 7.59-9.39; 1.80
9.4				5-3; Pony Rod; 22.2; 9.39- 12.39; 3.00
12.4				
13.5				
13.8				
16.5				5-4; Sucker Rod HS; 22.2; 12.39 -408.64; 396.25
21.2				5-5; Sucker Rod HS; 22.2; 408.64-439.12; 30.48
408.6				5-6; Sucker Rod HS; 19.1; 439.12-713.44; 274.32
428.6				5-7; Sucker Rod HS; 19.1; 713.44-1,414.48; 701.04
429.0				5-8; Sinker Bar; 38.1; 1,414.48- 1,490.70; 76.22
439.1				
713.4				3-5; Tubing; 73.0; 62.0; 21.16- 1,462.80; 1,441.64
1,414.5				
1,462.8				3-6; Anchor/catcher; 124.0; 73.0; 1,462.80-1,463.71; 0.91
1,463.7				3-7; Tubing; 73.0; 62.0; 1,463.71 -1,491.48; 27.77
1,478.2				
1,479.1				
1,485.0				
1,486.0				
1,488.0				
1,488.5				
1,490.0				
1,490.7				
1,491.5				
1,491.8				
1,492.0				
1,494.0				5-9; Rod Insert Pump; 38.1; 1,490.70-1,498.50; 7.80
1,498.0				
1,498.2				
1,498.5				
1,498.6				
1,501.4				3-8; Pump Seating Nipple; 73.0; 62.0; 1,491.48-1,491.81; 0.33
1,501.6				
1,501.7				
1,501.8				3-9; Tubing; 73.0; 62.0; 1,491.81 -1,501.42; 9.61
1,504.1				
1,506.5				
1,509.0				
1,521.6				
1,522.0				3-10; Wireline Guide; 73.0; 1,501.42-1,501.55; 0.13