



4700 Bankers Hall West, 888 3rd Street SW Calgary, Alberta, Canada T2P 5C5 www.paramountres.com
tel 403 290 3600 fax 403 262 7

April 16, 2003

Mackenzie Valley Land and Water Board
7th Floor, 4910 50th Ave
P.O. Box 2130
Yellowknife, NT
X1A 2P6

Mackenzie Valley Land
& Water Board

File

APR 22 2003
Application # MV2002L1-0007
Copied To DNL/Sm/Reg

Via Fax: (867) 873-6610

Attention: Stephen Mathyk, Regulatory Officer

Dear Sir:

RE: Land Use Permit MV2002A0046,
Water Licence MV2002L1-0007
Cameron Hills 5 Well Drilling and Tie-In Project

Paramount Resources Ltd. ("Paramount"), by way of an April 2, 2003 letter to the Mackenzie Valley Land and Water Board ("MVLWB") requested an amendment to the existing subject permits. In response, the MVLWB has requested that Paramount submit application amendment forms and an updated project map for these five wells and associated project components. The enclosed amendment applications cover the drilling, tie-in and production of 5 wells in the Cameron Hills area. Supporting documentation covering these project components and this amendment request was submitted with the initial application of the subject permits "Environmental Impact Assessment For The Cameron Hills 9 Well Project dated august 2002 number 022-2270 and is still applicable.

As was determined in our recent telephone discussion, Paramount is not submitting application and land use fees calculated on each of the attached forms as these funds were previously submitted under the initial applications.

Paramount is also requesting that the existing subject permits be extended for the maximum five year period to cover the M-49, C-49 and H-58 project components as these wells have been drilled and will remain on the land for a number of years.

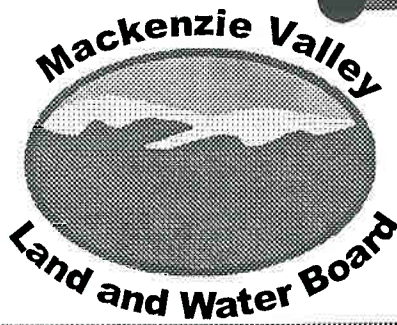
Should you have any questions regarding this request, please contact Shirley Maaskant at (403) 290-3618. Thank you for your continued assistance.

Yours truly,
PARAMOUNT RESOURCES LTD.

Shirley Maaskant
Regulatory and Community Affairs Coordinator

Encl: three copies of each application amendment form and associated map





Mackenzie Valley Land and Water Board
7th Floor - 4910 50th Avenue
P.O. Box 2130
YELLOWKNIFE NT X1A 2P6
Phone (867) 669-0506
FAX (867) 873-6610

Application for:

New Land Use Permit ☐

Amendment ☒

X

MU2002A0046

1. Applicant's name and mailing address:	Fax number: (403) 264-9206
Paramount Resources Ltd. 4700 Bankers Hall West 888 3rd St. SW Calgary, Alberta T2P 5C5	Telephone number: (403) 290-3618
2. Head office address: As above	Fax number: (403) 264-9206
Field supervisor: To be determined Radio-telephone: To be determined	Telephone number: (403) 290-3600
<p>3. Other personnel (subcontractor, contractors, company staff etc.)</p> <p>Contractors are yet to be determined and will vary as to availability and specialty. Personnel involved in the project (drilling, construction, operations and maintenance) will include contractors and Paramount Resources staff.</p> <p>For well drilling, completions and evaluation: (1 toolpush x 15 days; 2 drillers x 15 days; 4 floorhands x 15 days; 1 roustabout x 15 days; 2 drillstem testers x 2 days; 4 cementers x 4 days; 3 loggers x 2 days; 1 geologist x 15 days; 1 engineer x 15 days; 1 toolhand x 2 days; 1 water hauler x 15 days; 2 derrick hands x 15 days) = 223 person days per well x 5 wells = 1,115 person days.</p> <p>For facilities construction: (100 pipeliners x 20 days; 60 pipeliners x 15 days; 20 mechanical x 22 days; 4 instrument mechanics x 13 days; 8 electricians x 25 days; 4 inspectors x 50 days; 4 expeditors/first aid x 32 days) = 3,920 person days.</p> <p>TOTAL: 5,035 person days</p>	
<p>4. Eligibility: (Refer to section 18 of the <i>Mackenzie Valley Land Use Regulations</i>)</p> <p>a)(i) a)(ii) X a)(iii) b)(i) b)(ii)</p>	

5. a) Summary of operation (Describe purpose, nature and location of all activities.)

Paramount Resources proposes to drill new wells and construct and operate production facilities to produce petroleum and natural gas reserves in their Significant Discovery License (SDL) area in Cameron Hills, Northwest Territories. Project components include the following (note that some project components overlap with existing land use permits or water licences but are mentioned here for completeness):

- A total of 5 new wells to be drilled, evaluated and completed in grid area 60°10', 117°30' (N-36, F-38, L-46, G-48, P-57);
- Construction of production facilities for the 5 new wells;
- Construction of approximately 22 km of pipeline to tie in the above wells;
- Maintenance of existing winter access (LUP MV2000P0055);
- Ice bridges over drainages as required;
- Use of up to 3 unnamed lakes as water sources (1 of which was previously approved under existing water licence MV2000L1-0009; remainder approved under MV2002L1-0007);
- Construction and operation of 4 temporary campsites (3 of which were previously approved under LUP's MV2000P0055 and MV2000A0041 and 1 approved under MV2002A0046);
- 1 remote sump (approved under MV2002A0046);
- 3 borrow pits (1 new at L-46, 1 existing at L-74, N-49 existing to be widened approved under MV2002A0046); and
- 6 ATV bridges, where required.

Project components are shown in the attached Figures 1a and 1b, and are the same as shown in Figures 2a and 2b of the Environmental Impact Assessment (EIA) for the Cameron Hills 9 Well Project ("9 Well EIA"). All project components lie within an area bounded by latitude 60°00' and 60°20' and longitude 117°15' and 117°45'. Location information is presented in the following table:

<i>New Wells</i>	<i>Latitude (N)</i>	<i>Longitude (W)</i>
F-38	60-07-16.523	117-36-59.332
N-36	60-05-49.231	117-36-35.176
G-48	60-07-27.083	117-38-10.599
L-46	60-05-44.767	117-39-11.802
P-57	60-06-46.800	117-39-24.688

The above locations are approximate and may vary slightly due to field conditions during construction and geological/geophysical interpretation, which may alter the wells' location descriptor (e.g. F-38 may change to G-38).

b) Please indicate if a camp is to be set up. (Please provide details on a separate page, if necessary.)

Four previously used camp locations, approved under LUP's MV2000P0055, MV2000A0041 and MV2002A0046 will be re-used. These are located at B-29 (Grid Area 60°10', 117°30'), L-74 and E-73 (Grid Area 60°10', 117°15') and K-49 (Grid Area 60°10', 117°30'). All campsites are located as shown on Figure 2b, 9 Well EIA. The camps will be temporary. Two camp sites will accommodate up to 80 persons each, one camp site will accommodate up to 100 persons, and one camp site will accommodate up to 40 persons, for a total of 300 persons.

6. Summary of potential environmental and resource impacts (describe the effects of the proposed land-use operation on land, water, flora & fauna and related socio-economic impacts). Use separate page if necessary.

Minimal environmental impacts are anticipated as the project will be completed in the winter, under frozen ground conditions. Existing cutlines and rights-of-way will be used for access to the greatest extent possible. Ice bridges will be constructed at crossing locations. Regional and site-specific environmental data is as presented in the 9 Well EIA. A more comprehensive review of the biophysical resources located in the Project area is provided in Golder and Alpine (2001), Paramount and Golder (2001) and Western and Golder (2000) (see references below). Environmental impacts and residual effects as a result of the development project are predicted to be not significant, as the environmental protection measures and mitigation plans outlined in the above reports address potential concerns.

References:

1. Golder Associates Ltd. 2002. Environmental Impact Assessment for the Cameron Hills 9 Well Project. Prepared for Paramount Resources Ltd. 33 pp. + appendices.
2. Golder Associates Ltd. and Alpine Environmental Consultants Ltd. 2001. Environmental Impact Assessment for the Cameron Hills Gathering System and Facilities Project. Completed for Paramount Resources Ltd. 152 pp + appendices.
3. Paramount Resources Ltd. and Golder Associates Ltd. 2001. Environmental Impact Assessment in Response to the Terms of Reference for the paramount Resources Ltd. Cameron Hills Drilling Project. 85 pp. + appendices.
4. Western Oilfield Environmental Services Ltd. and Golder Associates Ltd. 2000. Environmental Screening Report for the Cameron Hills Drilling Project. Completed for Paramount Resources Ltd. 75 pp. + appendices.

7. Proposed restoration plan (please use a separate page if necessary).

The organic layer would be salvaged at wellsites, sumps, and borrow pits for use during reclamation. Trenching for pipelines will follow the last out, first in principle to limit admixing. Slash would be rolled back over the right-of-way, and any erosion prone areas of the access as appropriate. Following drilling and evaluation operations, the organic material and desirable soil that was salvaged from the sump location will be spread back during reclamation. Natural encroachment will be encouraged so seeding will be limited to erosion-prone slopes and riparian areas. All wellsites will be monitored during construction, reclamation and one year after reclamation to determine if remedial seeding, site stabilization or other additional reclamation work is required.

8. Other rights, licences or permits related to this permit application (mineral rights, timber permits, water licences, etc.)

Class B Water Licence

Roads: Is this to be a pioneered road? No Has the route been laid out or ground truthed? Existing winter access will be used. Approximately 0.096 km of new winter access requiring clearing will be constructed.

9. Proposed disposal methods.

- a) Garbage: Combustible and non-combustible garbage is separated. Combustible garbage is burned in an incinerator and non-combustible garbage is compacted and hauled to an approved landfill.
- b) Sewage (Sanitary & Grey Water): Camp sewage will be treated, then mixed and buried and covered in the camp sump.
- c) Brush & trees: During site preparation, standing timber and slash will be cleared. The slash will be separated from the timber and will be made to lie flat and compact by bucking the material into suitable lengths and/or crushing with heavy machinery. Timber will be salvaged for use as corduroy or stockpiled in log decks located by the Paramount field supervisor along the right-of-way, as appropriate.
- d) Overburden (Organic soils, waste material, etc.): The organic layer will be stripped and salvaged, and replaced after disturbed areas have been re-contoured.

10. Equipment (includes drills, pumps, etc.) (Please use separate page if necessary.)

SEE TABLE 10 ATTACHED TO THIS APPLICATION

11. Fuels	()	Number of containers	Capacity of containers	Location
Diesel	X	3	400 bbl* – for equipment and vehicles	Camps
		3	100 bbl-for camp electrical generators	Camps
		3	500 gal	Camps
Gasoline	X	2	200 bbl	Camps
		3	1000 gal	Camps
Aviation fuel	X	40	45 gallon drums	Camp (helipad)
Propane	X	20	1000 usg temporary tanks – for camp fuel)	Camp
		20	20 lb temporary tanks – for construction	Wellsites
		4	200 lb temporary tanks – for construction	Wellsites
Propane (cont'd)		18	1000 gal propane tanks – for thermoelectric generators	Wellsites

Other:				
Methanol storage tanks	X	9	200 bbl	Wellsites
Corrosion inhibitor tanks	X	9	1000 gal	Wellsites
		9	50 bbl	Wellsites

*bbl = barrel (0.16m³)

12. Containment fuel spill contingency plans. (Please attach separate contingency plan if necessary).

An Emergency Response Plan which contains a Fuel Spill Contingency Plan has been submitted to the Mackenzie Valley Land and Water Board covering the original Cameron Hills Project. This plan will be updated for the new wells.

13. Methods of fuel transfer (to other tanks, vehicles, etc.)

Fuel will be brought to the site by a fuel truck and will be transferred from the storage tank by a standard steel line fuel pump and fuel hose, hand pump or gravity feed. Spill kits will be available at each fuelling location.

14. Period of operation (includes time to cover all phases of project work applied for, including restoration)

The drilling and construction phases are estimated to occur between November 1 and April 30, during frozen ground conditions. The production operations phase is estimated to occur from February 15, 2004 and continue for a 15-20 year period.

15. Period of permit (up to five years, with maximum of two years of extension).

Start date: November 1, 2003

Completion date: November 1, 2008

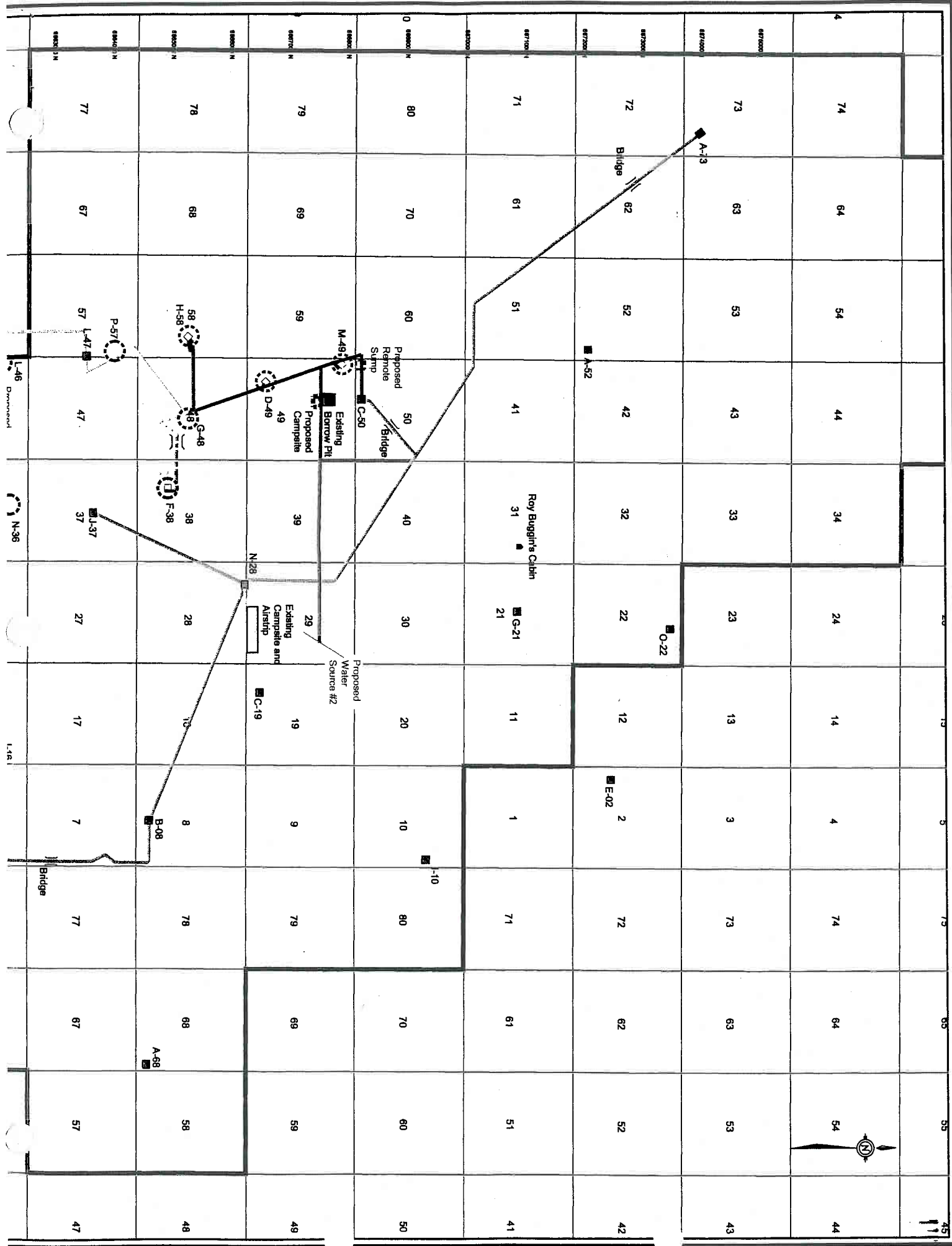
16. Location of activities by map co-ordinates (attached maps and sketches)	
Minimum latitude (degree, minute) 60° 00'	Maximum latitude (degree, minute) 60° 20'
Minimum longitude (degree, minute) 117° 15'	Maximum longitude (degree, minute) 117° 45'
Map Sheet no. 85C	
17. Applicant Print name in full Shirley Maaskant Signature <u><i>S Maaskant</i></u> Date April 2003	
18. Fees Type A - \$150.00 ** Type B - \$150.00 ** **Application Fees are Non-Refundable**)	
Land use fee: 43.5 - 2 = 41.5 hectares @ \$50.00/hectare	\$ <u>2,075.00</u>
Assignment fee \$50.00	\$ <u>N/A</u>
Total application and land use fees	\$ <u>2,225.00</u>
<p align="center"><i>Please make all cheques payable to "Receiver General of Canada"</i></p>	

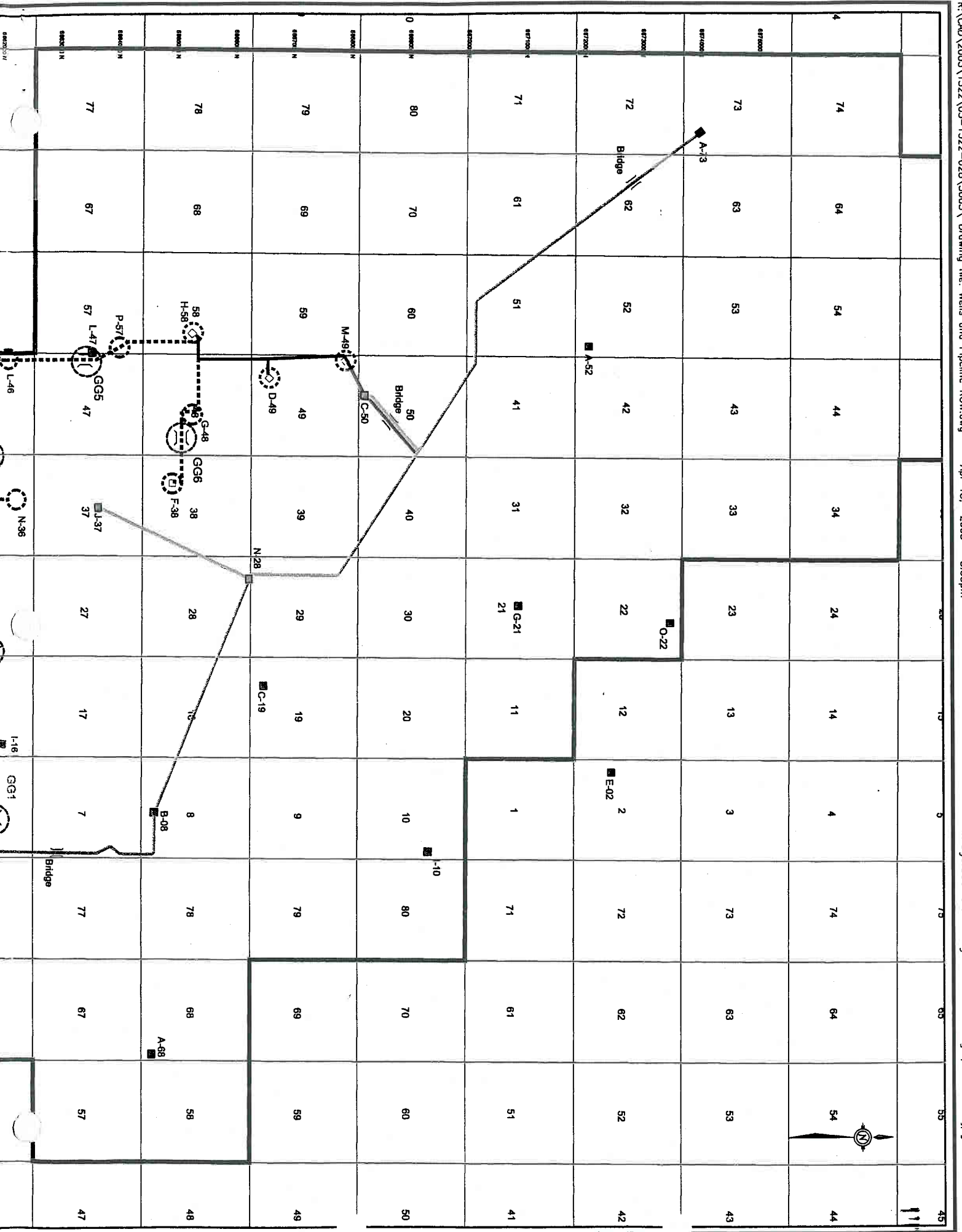
**TABLE 10. EQUIPMENT LIST FOR
CAMERON HILLS SWELL PROJECT**

Type and Number	Approx. Size	Proposed Use
<i>Permanent Installations:</i>		
Equipment expected to be installed at each wellsite:		
One 3 phase separator	24 in. diameter x 7.5 ft. s/s	Wellsite production facility
One sour gas fuelled heater	500,000 BTUH	"
Propane tanks	2 x 1000 gallon	"
One thermoelectric generator	40 watt	"
One flare stack	4 in. diameter x 12 ft. high	"
One FKOD		"
One methanol tank	200 bbl	"
One corrosion inhibitor tank	1000 usg	"
One corrosion inhibitor tank	50 bbl	"
Gathering System:		
Approx. 22 km of NPS pipe	3" to 8"	
<i>Temporary Equipment:</i>		
Construction Equipment Expected:		
2 wheel ditchers		Ditching
8 hoe excavators		Clearing, trenching
2 hydro axes		
8 bulldozers	D5, 6, 7, 8, 9	Clearing, backfilling
4 sidebooms	D6, 7, 8	Pipelining
12 mobile welding units		Welding
1 all terrain crane	20 to 34 ton	Lifting
2 pile drivers		Pile driving
4 temporary camps (construction and drilling)	1-40 person 2-80 person 1-100 person	Accommodations
4 Portable generators	5 kw	Electrical supply
88 motor vehicles		(i.e. Welding trucks, fuel trucks, personal transport, equipment transport, etc.)
Wellsite Drilling/Evaluation Equipment Expected:		
1 Drilling rig		Well drilling
1 service rig		Complete well and evaluation
Other:		
1 water truck		Water down roads, camp water, water to rigs
1 grader	D-16-G	Moving snow and smoothing road surfaces
Caterpillar (2-3)	D5, WP, D6, D7	Moving snow, ice road construction

**CALCULATION OF PROPOSED LAND USE (HECTARES)
CAMERON HILLS SWELL PROJECT**

Project Component	No. of Hectares
5 new wellsites (110m x 110m each)	6.05
ROW for gathering lines (total length 22 km x 18 m); includes main pipeline + lines to wellsites; takes into account some sections of existing ROW (under existing permit) where only additional 5-6 m is needed)	34.4
Existing winter access (included under existing land use permits)	N/A
New winter access (includes only sections of new access not already included in ROW for pipeline: access to F-38 and I-50); total of 1.0 km x 8m wide.	0.8
1 borrow pit (150 m x 150 m)	2.25
TOTAL	43.5 ha







4700 Bankers Hall West, 888 3rd Street SW Calgary, Alberta, Canada T2P 5C5 www.paramountres.com
tel 403 290 3800 fax 403 262 791

April 2, 2003

Mackenzie Valley Land and Water Board
7th Floor, 4910 50th Ave
P.O. Box 2130
Yellowknife, NT
X1A 2P6

Mackenzie Valley Land
& Water Board
File MU2002B0057
APR - 2 2003
Application # MU2002L1-0007
Copied To PLU/SMIRag

Via Fax: (867) 873-6610

Attention: Stephen Mathyk, Regulatory Officer

Dear Sir:

RE: Land Use Permit MV2002A0046,
Water Licence MV2002L1-0007
Cameron Hills 8 Well Drilling, Nine Well Tie-In Project

Land Use Permit MV2002B0057
Cameron Hills 3D Seismic Project

Paramount Resources Ltd. ("Paramount") made application on August 28, 2002 to the Mackenzie Valley Land and Water Board ("MVLWB") for a land use permit and water licence ("Permits") to drill and tie in 8 wells and tie-in one existing well, over a five-year period, in the Cameron Hills area. The MVLWB issued the subject Permits for a two-year period to drill and tie in three wells and tie in the one existing well. The MVLWB November 29, 2002 Reasons For Decision states "The Board is of the view that this reduced work program will accommodate the Applicant's immediate short term permit and licence requirements, while at the same time allowing the Board time to access further input from communities and first Nations in the Cameron Hills area."

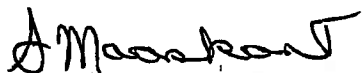
The Reasons For Decision did not specify the process or timeline for the MVLWB to access further input from the communities and first Nations. This Cameron Hills project has already been the subject of significant regulatory analysis including the Environmental Impact Assessment Paramount submitted in support of the subject Permits, wherein Section 8, Cumulative Impact Assessment included 10 additional wells. More significantly, the Mackenzie Valley Environmental Impact Review Board has conducted two Environmental Assessments on this project site. The Report of Environmental Assessment On the Paramount Resources Ltd. Cameron Hills Gathering System and Pipeline Development, December 3, 2001 states the proposed development "is not likely in its opinion to have any significant adverse impact on the environment or to be a cause of significant public concern." Paramount is therefore requesting that the subject Permits be amended for the five year term and to include the balance of the five wells, as initially applied for.

Paramount also made application on October 11, 2002 for a five year Cameron Hills 3D Seismic Program. The MVLWB issued a one-year permit that did not facilitate the acquisition of the complete project. Paramount is hereby making application for a four-year extension on land use permit MV2002B0057.

Should you have any questions regarding this request, please contact Shirley Maaskant at (403) 290-3618. Thank you for your continued assistance.

Yours truly,

PARAMOUNT RESOURCES LTD.



Shirley Maaskant
Regulatory and Community Affairs Coordinator

Mandell Pinder
Barristers & Solicitors

500-1080 Mainland Street, Vancouver BC V6B 2T4
Tel: (604) 681-4146 Fax: (604) 681-0959

May 2, 2003

By Fax: (867) 873-6610

Mackenzie Valley Land and Water Board
7th Floor, 4910 50th Avenue
P.O. Box 2130
Yellowknife, NT X1A 2P6

Attention: Stephen Mathyk
Regulatory Officer

Mackenzie Valley Land
& Water Board

File

MAY - 5 2003

MU 20024-0007

Application # MU2002A0046

Copied To PLM/SM/RT6

Dear Mr. Mathyk:

Re: Paramount Resources Ltd.
Land Use Permit and Water Licence Amendment
MV2002A0046/MV2002L1-0007
Oil and Gas Exploration, Cameron Hills Area (the "Project")

Please be advised that we are lawyers representing the Ka'a'Gee Tu First Nation.

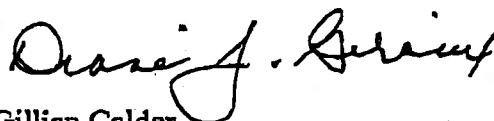
We are responding to your letter and attachment dated April 25, 2003, received by our office on April 28, 2003. We have reviewed the application amendment. We ask that the comments that have been sent to you by the Ka'a'Gee Tu First Nation setting out their concerns at all stages of the application and review process of Paramount's Cameron Hills Project be reviewed and considered by the Board as you evaluate these most recent amendments to the Project being undertaken on Ka'a'Gee Tu traditional territory. For example, key concerns with this phase of the Project were set out in a letter to the Board on October 2, 2002.

The Ka'a'Gee Tu continue to be concerned about the long-term effects of the Project on the traditional and contemporary use of the area by the Ka'a'Gee Tu people. The Ka'a'Gee Tu ask that all aspects of these new amendment applications be scrutinized to ensure that the environmental and social impacts on the traditional territory of the Ka'a'Gee Tu are identified, and the effects minimized or eliminated.

In addition, we reiterate the difficulty and expense incurred by the Ka'a'Gee Tu in responding to these requests for review on such short notice, given limited resources and the consequence to the community that flows from this work.

Yours very truly,

MANDELL PINDER


Gillian Calder
Barrister and Solicitor

GC/djg

ccs: Clients
Gowlings

Mandell Pinder
Barristers & Solicitors

500 - 1080 Mainland Street, Vancouver BC V6B 2T4
Tel: (604) 681-4146 Fax: (604) 681-0959

FAX COVER SHEET

DATE: May 2, 2003

CLIENT #: 216-00.4

To: Mackenzie Valley Land and Water Board
Attention: Stephen Mathyk
Regulatory Officer

FAX: 1-867-873-6610

Cc: Ka'a'Gee Tu First Nation
Attention: Chief and Council
Attention: Allan Landry

FAX: 1-867-825-2002

Cc: Gowlings
Attention: Alan Hollingworth, Q.C.

FAX: 1-403-263-9193

FROM: Gillian Calder

RE: PARAMOUNT RESOURCES LTD. - LAND USE PERMIT AND WATER LICENCE AMENDMENT
MV2002A0046/MV2002L1-0007
OIL AND GAS EXPLORATION, CAMERON HILLS AREA

NUMBER OF PAGES INCLUDING COVER SHEET: 3

ORIGINAL BEING SENT BY MAIL: No: X

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**IF YOU DO NOT RECEIVE ALL THE PAGES PLEASE CALL Lynne or Diane AT (604)681-4146
AS SOON AS POSSIBLE.**



Northwest
Territories Municipal and Community Affairs

Mackenzie Valley Land and Water Board
P.O. Box 2130
Yellowknife, NT
X1A 2P6

Attention: Stephen Mathyk, Regulatory Officer

Land Use Permit and Water License Amendment
Paramount Resources Ltd., MV2002A0046/MV2002L1-0007
Oil and Gas Exploration - Cameron Hills Area

May 2, 2003

Mackenzie Valley Land
& Water Board

File

MAY - 5 2003

MV2002L1-0007

Application # MV2002A0046

Copied To PCM / SM / RB

We have reviewed the above noted amendment application and offer the following comments:

The applicant has not acquired proper land tenure for the five well sites and pipeline right-of-way proposed in this application. The absence of land tenure means that the Government of the Northwest Territories is unable to assess these improvements and collect taxation revenue legitimately owing to the Territorial government.

Based on the financial impact to the GNWT, we would therefore recommend that the Board make the issuance of the land use permits and/or water licenses conditional upon the acquisition of land tenure by the applicant.

If you have any questions regarding these comments, please contact the undersigned at 920-8038.

Sincerely,

Mark Davy
Senior Environmental Planner





MUNICIPAL AND COMMUNITY AFFAIRS

PO BOX 1320 GOVERNMENT OF THE NWT YELLOWKNIFE NT X1A 2L9

FAXDate: MAY 2, 2003Cover sheet plus number of pages 1To: STEPHEN MATHYK
MVLWR

Phone: (867)

Fax: (867) 873-6610

CC:

From: Mark DavySenior Environmental PlannerLands Administration

Phone: (867) 920-8038

Fax phone: (867) 920 - 6343

REMARKS:

☐

Urgent

☐

For your review

☐

Reply ASAP

☐

Please comment

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#16 Yellowknife Airport
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Facsimile: (867) 669-2720

May 1, 2003

Your file - Votre référence

Mackenzie Valley Land and Water Board
PO Box 2130
Yellowknife NT X1A 2P6

Our file - Notre référence
MV2002A0046

ATTENTION: Stephen Mathyk

Dear Mr. Mathyk:

**Re: LUP Amendment - MV2002A0046 - Paramount Resources Ltd.
Oil and Gas Exploration
Cameron Hills**

The above mentioned land use permit amendment request submitted by Paramount Resources Ltd. for additional well sites and a tie-in line has been reviewed. Attached for your consideration are our inspectors' comments.

Comments received from Land Administration indicate no concerns.

Should you have any questions or concerns, please contact Michelle Elford at 669-2765.

Yours truly,

Edward R. Hornby
District Manager
South Mackenzie District

ERH/me

Mackenzie Valley Land
& Water Board

File

MAY - 2 2003

Application # MV2002A0046

Copied To PLM / SM / Reg

FAX

*Department of Indian Affairs & Northern Development
Hay River Sub-district
South Mackenzie District*

TO:

Michelle Elford

FROM:

Andrew Forbes
Resource Management Officer
Department of Indian Affairs & Northern
Development
41 Capital Drive, #203
Hay River, NT X0E 1G2
Ph: (867)874-6995
Fax: (867)874-2460
dianddf@cancom.net

Date: April 30, 2003

Number of Pages, including cover = 1

REGARDING:

***Amendment Applications for Land Use Permit MV2002A0046 and Water Licence
MV2002L1-0007***

***I have reviewed the applications and have no concerns that are not already covered by the
existing permit and licence conditions. I recommend that the amendments be made as
requested.***

From: Michael Roesch
To: Michelle Elford
Date: 4/30/03 10:55AM
Subject: MV Amendments

Michelle,

On behalf of Sandra Bradbury, Land Administrator of DIAND Lands, our office has reviewed the following permit amendment request and conclude:

MV2002A0046 - Paramount Resources Ltd. wishes to amend the permit to add well sites and a tie-in line in the Cameron Hills area. - Please note, we have no concerns with the amendment application.

Michael Roesch
Assistant Land Specialist
Land Administration
PO Box 1500
4914 - 50th Street
Yellowknife, NT
X1A 2R3
867-669-2683
867-669-2713 (fax)



Fisheries
and Oceans

Pêches
et Océans

Fish Habitat Management
Suite 101, 5204-50th Avenue
Yellowknife, Northwest
Territories
X1A 1E2

Your file *Votre référence*

Our file *Nous référence*

SC02081

May 2, 2003

Mackenzie Valley Land
& Water Board

Mackenzie Valley Land and Water Board
7th Floor-4910 50th Ave
P.O. Box 2130
Yellowknife, NT
X1A 2P6

File

MAY - 5 2003

Application # MV2002L1-0007
MU2002A0046

Copied To RM/SM/RLG

Attention: Stephen Mathyk

**RE: Land Use Permit and Water Licence Amendment Paramount Resources Ltd.
MV2002A0046/ MV2002L1-0007 Oil and Gas Exploration, Cameron Hills Area- DFO
Comments**

Dear Mr. Mathyk:

The Department of Fisheries and Oceans, Fish Habitat Management – Western Arctic Area (DFO) has reviewed the above mentioned land use permit and water licence amendment.

It is my understanding based on the information provided that:

- The original land use permit and water licence was issued by the MVLWB to cover only 3 of the 8 new wells that were asked for by Paramount in the original application. This amendment has been submitted by Paramount to have the remaining 5 wells and associated infrastructure (production facilities, pipeline tie-ins etc) included in Water Licence MV2002L1-0007 and Land Use Permit MV2002A0046.

As DFO's September 30th, 2002 Letter of Advice to Paramount was based on the original application that included all eight wells, DFO has no additional comments regarding the amendment.

If you have any questions, please contact me at (867) 669-4931 or Pete Cott at (867) 777-7520.

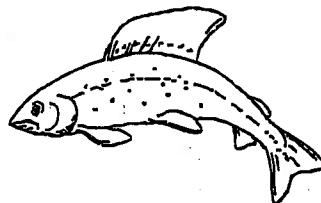
Bruce Hanna
Habitat Biologist
Fish Habitat Management
Department of Fisheries and Oceans- Western Arctic Area

Copy: Pete Cott, DFO- Area Habitat Biologist



Fisheries
and Oceans

Pêches
et Océans



Fish Habitat Management
Suite 101, 5204 - 50th Avenue
Yellowknife, Northwest Territories
X1A 1E2

May 2, 2003

FAX

Mackenzie Valley Land
& Water Board

TO/A:

Stephen Mathyk

(867) 873-6610

Mackenzie Valley Land & Water Board

7th Floor, 4910-50th Ave.

P.O. Box 2130

Yellowknife, NT

X1A 2P6

MAY - 5 2003

Application # _____

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DFO File No. SC02081

page 1 of 2

MESSAGE

Re: Land Use Permit and Water Licence Amendment Paramount Resources Ltd. MV2002A0046/ MV2002L1-0007 Oil and Gas Exploration, Cameron Hills Area- DFO Comments

FROM/DE:

Bruce Hanna
Habitat Biologist
Western Arctic Area

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