



December 19, 2022

Terence Hughes  
Regulatory and Community Affairs Advisor  
Paramount Resources Ltd.  
Suite 2800, 421 – 7<sup>th</sup> AVENUE SW  
CALGARY AB T2P 4K9

Dear Mr. Hughes:

**Mackenzie Valley Land and Water Board - Paramount Resources Ltd. – Fort Liard East - Type "B" Water Licence MV2020L1-0007 - Security Deposit Acceptance (revised)**

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The Government of the Northwest Territories (GNWT) - Department of Environment and Natural Resources (ENR) formally acknowledges receipt and acceptance of a security deposit in the form of an Irrevocable Standby Letter of Credit (ILOC) amendment 3, dated December 07, 2022 for \$1,113,261.00 (or an increase of \$763,261.00) on behalf of Paramount Resources Ltd. On December 12, 2022, our department received the security deposit. The security deposit is further described in Attachment 1 – Summary Table.

The \$1,113,261.00 security deposit amount is required under Part C, Item 1. and Schedule 2: Security, Item 1. of the Water Licence. The security deposit is acceptable to the GNWT as prescribed by Section 35. (1) of the *Waters Act* and Section 11. (3) of the *Waters Regulations*.

Further to recent communication, the Department of Finance (DOF) located the original amendment 2, dated March 13, 2018. I understand that amendment 2 was received by another department. On March 20, 2018, the noted amendment was provided to DOF for their safekeeping. On December 16, 2022, amendment 2 was placed with the ENR managed security deposits within the DOF safe.

If you have any further comments or questions, please contact Bryana Mathews, A/Manager, Water Regulatory and Assessment at (867) 767-9234, extension 53118 or [Bryana Mathews@gov.nt.ca](mailto:Bryana.Mathews@gov.nt.ca) or David Jessiman, Water Management Advisor, (867) 767-9234, extension 53114 or [David Jessiman@gov.nt.ca](mailto:David.Jessiman@gov.nt.ca).

Sincerely,

Rick Walbourne  
A/Director  
Water Management and Monitoring  
Environment and Natural Resources

Attachments

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c. Celestino Oh  
Assistant Comptroller General and Superintendent of Insurance  
Finance

Jamie Chambers  
Superintendent, Dehcho Region  
Environment and Natural Resources

Dr. Shelagh Montgomery  
Executive Director  
Mackenzie Valley Land and Water Board

**Attachment 1 – Summary Table:**

**Mackenzie Valley Land and Water Board  
Paramount Resources Ltd. - Fort Liard East**

**Type “B” Water Licence MV2020L1-0007**

**1. Security Deposit Acceptance**

	<b>Water Licence</b>	<b>ILOC No.</b>	<b>Date</b>	<b>Amount</b>
1.	MV2020L1-0007 (MV2013L1-0003)	Bank of Montreal BMT04258430S	January 10, 2014	\$350,000.00
2.	MV2020L1-0007 (MV2013L1-0003)	Bank of Montreal BMT04258430S Amendment 1 (beneficiary name, address, payee, and management titles changes only)	March 26, 2014	\$350,000.00
3.	MV2020L1-0007 (MV2013L1-0003)	Bank of Montreal BMT04258430S (Amendment 2 proponent address change only)	March 13, 2018	\$350,000.00
4.	MV2020L1-0007	Bank of Montreal BMT04258430S Amendment 3 (Water Licence number changed and \$763,261.00 security deposit increase only)	December 07, 2022	\$1,113,261.00