

June 1, 2022

Via Public Registry

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

Attention: Andrew Wheeler

Dear Mr. Wheeler:

**RE: Water Licence MV2020L1-0007 <https://mvlwb.com/registry/MV2020L1-0007>
Annual Water Report 2021**

As per Schedule 1 of the above-mentioned Water Licence, Paramount Resources Ltd. (Paramount) has listed the information required by the Mackenzie Valley Land and Water Board (MVLWB) to fulfill the annual report requirements. They are as follows:

- a) An updated as-built was provided in 2020, no changes since that submission. [As built Map](#)
- b) Project activities were extremely limited due to Covid. Office of the Regulator of Oil and Gas Operations (“OROGO”) inspections took place.
- c) Due to COVID remaining abandonment activities have now been scheduled to take place in the winter of 2022-2023. It is anticipated that this will include opening of the winter road network, downhole abandonment of the wells and removal of the wellheads. Reclamation activities (if required) would also be completed at this time. Future activities are expected to be limited to environmental monitoring post 2022-2023.
- d) 0m³.
- e) Not applicable.
- f) An updated Engagement Plan with an updated Record of Engagement was submitted on February 19, 2021. [Updated Engagement Plan](#) . Paramount sent out a notification regarding potential winter activity on October 27, 2021. On November 25, 2021 sent out an email notification that the potential winter work

would not be going ahead due to Covid issues. No responses were received to either correspondence

- g) Not applicable during the reporting period.
- h) No construction activities occurred during the reporting period.
- i) No major maintenance occurred during reporting period.
- j) 1. An updated Waste Management Plan was provided to the MVLWB in April of 2021.
2. 0 m³
- k) A Sediment and Erosion Control Plan was submitted in August of 2021.
- l) 1. No spills occurred in the reporting period.
2. Specific training to Liard East did not occur due to low levels of activity. Regular corporate training related to Emergency Response (training) occurred periodically throughout the year.
- m) Paramount intends to submit a Closure and Reclamation Plan this year.
- n) None
- o) All sites were acceptable.
- p)

<u>EA Commitment</u>	<u>Outcome</u>
Maximize the use of previously used water sources	Paramount has reduced the number of identified sources for the project area over time. No new sources have been requested
Follow appropriate protocols on water withdrawals	Paramount has followed and will follow all appropriate guidelines and protocols
Combustible camp waste to be incinerated, all other waste disposed of at an appropriate facility.	Paramount has and will continue to follow the current project approved Waste Management Plan. It includes separating waste and disposing of waste at the appropriate facility
Remove waste storage at end of season	Paramount has and will continue to remove waste storage at the end of activity seasons
Camp operations should use good housekeeping practices.	This is included in the current Waste Management Plan and has been practiced by Paramount and its contractors when camps have been used in the project area,
Only snow and water to be used for winter road construction	This has and will continue to be the practice of Paramount

- q) No requests were received during the reporting period.