

John Hawkins, P. Eng.
Director Asset Management
Paramount Resources Ltd.
Suite 2800, 421 – 7TH AVE SW
CALGARY AB T2P 4K9

June 9, 2021

Dear John Hawkins:

Decision: ACW- 2020-004-PAR-I-02-WID1884

On December 17, 2020, the Office of the Regulator of Oil and Gas Operations (OROGO) received a complete application from Paramount Resources Ltd. (Paramount) for the abandonment of the Mount Coty I-02 well (WID1884).

The Regulator designated under section 121 of the *Oil and Gas Operations Act* (OGOA) may issue a Well Approval under section 10(4) of that act. On August 2, 2020, the Commissioner in Executive Council designated me as the Regulator under section 121 of OGOA.

I have reviewed Paramount's description of its proposed activity and find that the application demonstrates that this activity will be conducted safely, without waste and without pollution, in compliance with the *Oil and Gas Drilling and Production Regulations*. Therefore, Paramount's application is approved, subject to the terms contained in the attached Well Approval.

Paramount must post a copy of the attached Well Approval in a clearly visible location at the work site.

Sincerely,



Pauline de Jong
Regulator

Encl. ACW- 2020-004-PAR-I-02-WID1884

WELL APPROVAL

Subject to the terms listed below, a well approval is granted under Section 10 of the *Oil and Gas Operations Act* and Part 2 of the *Oil and Gas Drilling and Production Regulations* to


Company Name	Company Operating Licence #
Paramount Resources Ltd.	NWT-OL-2014-14
Responsible Officer and Title	
John Hawkins, Director Asset Management	

to proceed with the works and activities described in its December 17, 2020 application and subsequent submissions for

Type of Work	Settlement Area or Region
Well abandonment	
Scope of Work	
Abandonment of the Mount Coty I-02 well (WID 1884)	
Dehcho	

This approval is granted under Operations Authorization OA-2020-001-PAR and expires November 1, 2022.

Dated at Yellowknife, Northwest Territories on June 9, 2021.

Name of Regulator / Delegate	Signature of Regulator / Delegate
Ms. Pauline de Jong	
Title	
Regulator	

ADDITIONAL TERMS

1. Paramount Resources Ltd. shall cause the approved work and activities to be conducted in accordance with the requirements of the *Oil and Gas Operations Act* and the *Oil and Gas Drilling and Production Regulations*, as well as any other acts or legislation as may apply.
2. Paramount Resources Ltd. shall cause the approved work and activities to be conducted in accordance with any guidelines and/or interpretation notes issued by the Regulator under section 18 of the *Oil and Gas Operations Act*.
3. Paramount Resources Ltd. shall cause the approved work and activities to be conducted in accordance with the specifications, standards and other information referred to in its application received December 17, 2020.
4. Paramount Resources Ltd. shall request approval from the Regulator prior to undertaking any change to or deviation from the authorized work or activities, including but not limited to key personnel, the safety plan, the environmental protection plan and contingency plans.
5. Paramount Resources Ltd. shall provide all staff and contractors for this program with its Emergency Response Plan and the OROGO 24-hour Incident Reporting phone number (867-445-8551) prior to commencing any work or activity.
6. Paramount Resources Ltd. shall notify OROGO at least 10 days prior to the start of well abandonment operations.
7. Paramount Resources Ltd. shall submit to OROGO certificates and inspection documents for any service rig, well control and associated equipment (including boilers) at least 10 days prior to the rig commencing work.
8. Paramount Resources Ltd. shall submit to OROGO an updated operator contact list for this program prior to any work or activity.
9. Paramount Resources Ltd. shall submit to OROGO a completed Change of Well Status form and a Well Operations Report 30 days after the service rig release date or when the operation has been successfully completed.
10. Prior to executing contingency steps 36 through to 47 of the approved well abandonment program, Paramount Resources Ltd. must provide daily report(s) and interpretation of removal attempt(s) to demonstrate, to the satisfaction of the Chief Safety Officer or Safety Officer, that reasonable steps were taken to retrieve the removable packer located at 882 mKB. If the Chief Safety Officer or Safety Officer is satisfied, Paramount is granted an exemption from section 6A of the *Well Suspension and Abandonment Guidelines and Interpretation Notes* to allow for the setting of a permanent bridge plug at a depth no higher than 870 mKB.