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March 23, 2004

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Our file - Notre référence

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P.O. Box 4428  
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Deh Gah Gotie Dene Council  
General Delivery  
Fort Providence, NT X0E 0L0

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Fort Providence, NT X0E 0L0

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P.O. Box 1320  
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Mackenzie Valley Land  
and Water Board  
P.O. Box 2130  
Yellowknife, NT X1A 2P6

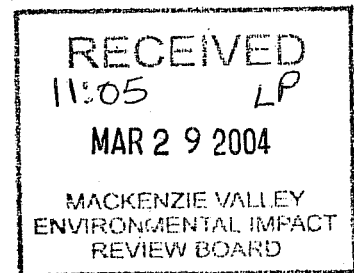
Mackenzie Valley Environmental Impact  
Review Board  
P.O. Box 938, 5102 - 50<sup>th</sup> Avenue  
Yellowknife, NT X1A 2N7

**Paramount Resources - Cameron Hills, Northwest Territories  
Annual Reports - Operating Seasons  
July 2001 - June 2002 & July 2002 - June 2003**

Please find attached the above noted Annual Reports submitted in response to  
Measure #16 of former Minister Robert Nault's letter dated January 11, 2002.

Yours truly,

Andrew Graw  
Manager, Petroleum  
Development Division  
DIAND, NT Region



cc: Mimi Fortier, Northern Oil and Gas Directorate, Ottawa  
Fraser Fairman, Environment & Conservation Division, NT Region



**Paramount**  
resources

GENERAL  
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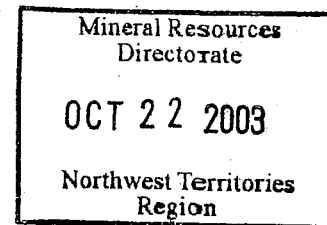
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OCT 21 11 40 84 9

October 15, 2003

Indian and Northern Affairs Canada  
Northern Oil and Gas  
Box 1500  
Yellowknife, NT  
X1A 2R3



Via Fax: (867) 669-2709

**Attention: Andrew Graw, Manager Petroleum Development & Benefits**

Dear Sir:

**Re: Annual Report  
Cameron Hills, Northwest Territories**

Paramount Resources Ltd. ("Paramount") conducted seismic, drilling/evaluation, and facility projects ("Projects") in the Cameron Hills area of the Northwest Territories this past season, under the Cameron Hills Gas & Oil Development Plan. To fulfill our obligation to Northern Oil and Gas Directorate, Paramount has prepared and attached an Annual Report highlighting the project activities and results of implementing the Benefits Plan.

In addition to the initiatives generated through the Benefit Plan, and in keeping with Paramount's commitment to the north and the ongoing development of northern businesses and community participation in oil and gas, Paramount has also initiated several opportunities for northern communities. Some of these opportunities are listed below.

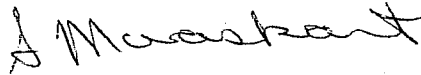
- a) Paramount has continued to provide financing for the two drilling rigs owned by Shehtah Drilling Ltd, which in turn is owned by Denendeh Development Corporation.
- b) Paramount retained the services of Northwest Territory service companies on projects in British Columbia and Alberta during the 2002 to 2003 winter season. This provided an extended business development opportunity to those companies of approximately nine hundred thousand (\$900,000) dollars. This is in addition to the services retained on Paramount's Cameron Hills, Fort Liard and Colville Lake Projects.

- c) Twenty-five thousand (\$25,000) dollars in scholarship funding was provided to Northwest Territory residents.

As evidenced in the attached Annual Report and the information provided in this letter, significant business and employment opportunities were provided to northerners through the Cameron Hills Projects and other Paramount initiatives.

We wish to thank you for your continued assistance and would be pleased to review this project and our future Cameron Hills plans with you at your convenience. If you require additional information please contact Shirley Maaskant at (403) 290-3618.

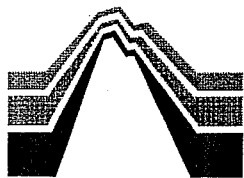
Yours truly,



Shirley Maaskant  
Regulatory & Community Affairs Coordinator

CC: Mimi Fortier, DIAND, Ottawa

Encl: 3 copies      Annual Report



**Paramount**  
*resources ltd.*

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# **ANNUAL REPORT**

**For The**

**CAMERON HILLS GAS & OIL BENEFIT PLAN**

**July 2002 - June 2003**

**Date Prepared:      October 2003**

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## 1.0 Introduction

This report outlines the principles and practices of Paramount Resources Ltd. ("Paramount") with respect to northern benefits applied to gas and oil operations in Cameron Hills, Northwest Territories as described in Paramount's Cameron Hills Gas & Oil Development Project Benefits Plan Update and Submission dated March 2001 and the Canada Benefits Plan dated August 1991.

Production operations continued throughout the year while seismic acquisition, drilling and evaluation, gathering system and facilities construction occurred over an average of 53 days resulting in a capital expenditure of approximately twenty two million, three hundred eighty five thousand (\$22,385,000) dollars. Approximately three million eight hundred thousand (\$3,800,000) dollars of that capital expenditure was paid to northern services and an estimated 3234 person days of northern employment were realized.

Paramount will continue to work with northerners to encourage enhancement of services through regular consultation with the communities, regulators and governments. Appendix 1 illustrates Paramount's tracking of consultation for the 2002/03 season.

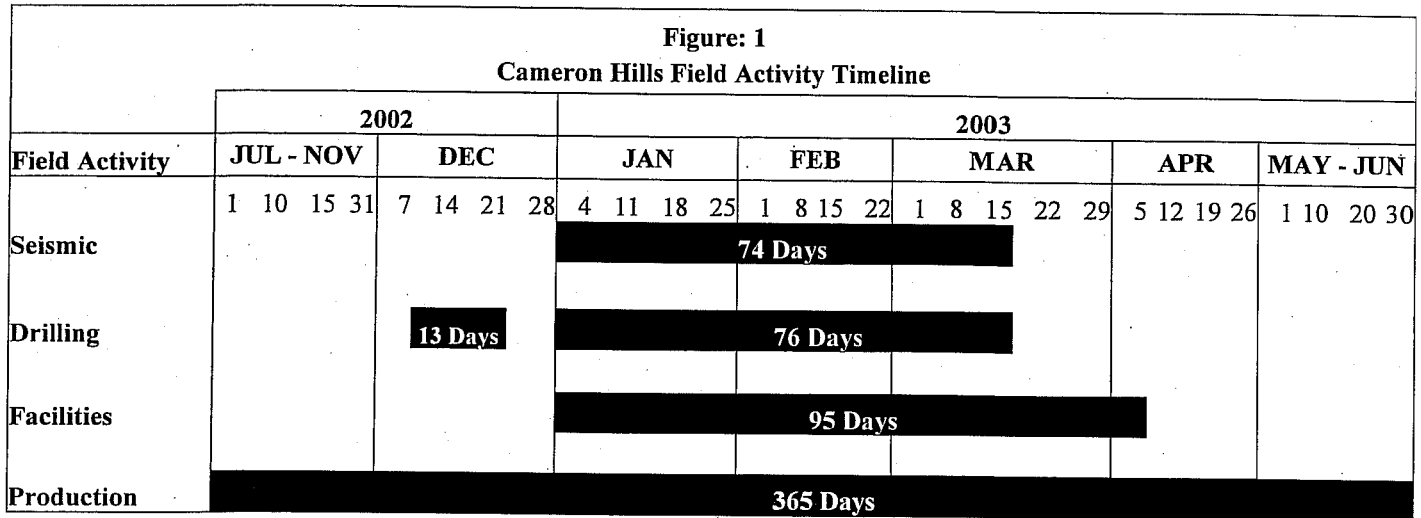
## 2.0 Work Program Description

Project activity is summarized below in Table 1.

| <b>Table 1<br/>Cameron Hills Project Activity<br/>July 2002 – June 2003</b> |   |
|---|---|
| <b>Project</b>  | <b>Activity Conducted</b>   |
| <b>Seismic</b>  | Acquired 533 km of 3D program   |
| <b>Drilling &amp; Evaluation</b>  | Drilled & evaluated 6 new wells, re-entered and evaluated 5 existing wells  |
| <b>Facilities</b>   | Tied in 6 wells, installed oil battery component and solution gas compressor  |
| <b>Operations</b>   | 6 wells were connected to the gathering system to facilitate gas production, through the year with an additional 6 wells tied in to facilitate both gas and oil production for the upcoming year. |

### 3.0 Project Timeline

The Cameron Hills project area is accessed via a winter road, which is primarily located in Alberta. Opening and maintaining this winter road from Alberta to the project site commenced early December 2002 with Seismic, Drilling and Facility projects concluding April 7, 2003. Activity timelines are represented in Figure 1.



### 4.0 Total Program Costs

Capital expenditures presented in Table 2 include all costs associated with the implementation of the 2002 – 2003 seismic, drilling/evaluation, facility projects and production operations.

**Table 2**  
**Cameron Hills Capital Expenditures**  
**July 2002 – June 2003**

|                                   |   |                     |
|-----------------------------------|---|---------------------|
| <b>Seismic</b>                    | Acquisition of 3D   | \$ 3,108,000        |
| <b>Drilling/Evaluation</b>        | Drill & evaluate 6 wells, re-enter 5 existing wells   | \$ 8,619,000        |
| <b>Facilities</b>                 | Tie in 6 wells (complete with associated gathering system and bridges) Construct oil handling at the central facility | \$ 8,621,800        |
| <b>Production</b>                 | 12 wells connected to gathering system to maintain oil and gas production <i>facilitate production</i>                | \$ 2,000,000        |
| <b>TOTAL CAPITAL EXPENDITURES</b> |   | <b>\$22,348,800</b> |

The dollar values and vendor information presented in this report are derived from Paramount's accounting system. Employment and training data was gathered from Paramount's primary contractors and their third party contractors.

## **5.0 Northern Goods & Services, Employment & Training**

Paramount spearheaded several goods and services, employment and training initiatives, which resulted in significant opportunity to northerners. These initiatives are listed below.

- a) On-going consultation with all potentially affected communities
- b) Project updates were distributed to communities, governments and regulators. These updates contained a list of the types of services that may be required for each project. This provided communities, businesses, individuals and government with the knowledge of the services that could be bid on, and an opportunity to assess training requirements for contact of third party contracting, employment and training opportunities.
- c) Preferred primary contractor information was provided to the aboriginal communities prior to the bidding process to enable the communities to assess their alliance company options.
- d) Paramount developed and circulated a Contractor Profile document, which provided northern companies the opportunity to outline their qualifications, experience, and safety record prior to the bidding process. The Contractor Profile form was circulated to all Cameron Hills area Band offices, Hay River Chamber of Commerce, individual businesses, and through the Department of Indian and Northern Development ("DIAND") Hay River office and the Government of the Northwest Territories – Resource Wildlife and Economic Development ("RWED") Hay River office.
- e) Aboriginal communities were provided every opportunity, and frequently prompted by Paramount to provide information on their alliance companies. Aboriginal community goods and services lists complete with their alliance company contact information were prepared by Paramount and distributed to the primary contractors awarded bids to ensure they contacted these services for third party contracting opportunities. Where an alliance company qualified as a primary contractor, they were provided the opportunity to bid on the Projects.
- f) Employment opportunities were provided to aboriginal community members to facilitate the gathering of trapping, traditional and environmental data for regulatory applications and program design as well as to adhere to regulatory requirements for heritage and environmental monitors during the construction phase.

The seismic project utilized one primary seismic contractor, the drilling project utilized two drilling rigs and one service rig complete with the associated services, and the gathering project utilized one primary pipeline contractor. Primary contractors and third party contractors retained



for these projects made every effort to retain northern individuals. It appears that most northern individuals in the area with the applicable skill, safety certification, and desire to work, were provided an opportunity for employment on these projects.

## **5.1 Short Term Employment & Training**

Paramount consulted with DIAND and RWED and potential primary contractors who had previously facilitated training opportunities for northerners in anticipation of employment opportunities in the oil and gas industry. An effort was made to provide these individuals, who were available for work, with employment opportunities on these Projects. As a result, a significant number of workers from the north were retained by Paramount's primary contractors to facilitate these projects in the short timeframe of mid-December to the beginning of April 2003. These individuals came from the Northwest Territory communities of Fort Liard, Fort Providence, Fort Resolution, Fort Simpson, Hay River, Hay River Dene Reserve, Jean Marie River, Kakisa, Rae Edzo, Trout Lake, West Point First Nation, Whitehorse, and Wrigley. Table 4 illustrates the type of service provided and the approximate number of northern individuals retained to facilitate each of the Cameron Hills projects.

Not all individuals trained were required for employment at Cameron Hills. Primary contractors provided employment on other projects to individuals from Fort Smith, Hay River, Hay River Reserve, Kakisa, Nahanni Butte, Norman Wells, Trout Lake, Fort Providence, Yellowknife, and Whitehorse.

The number of northern companies that provided services to the Projects was predicated by their availability of equipment and personnel. Northern and/or alliance companies that provided service to these Projects are as follows:

Aurora College, Bassett Petroleum, Carter Industries, Concept Consulting, DDA Northern Safety Services, Dene Oilfield, Golder Associates, Greenway Realty, IROC NWT, Keith's Water Services, Nahendeh Land & Environmental, Northern News, Northwestel Inc, PTI Premium Camp Services, Stan Dean & Sons, Stitco Utilities, Total Oilfield, and Travers. A summary of the dollars paid to these northern and/or alliance companies is presented in Table 3.

On the job training was provided by Paramount's contractors; on heavy equipment operations, basic safety indoctrination, safety services, slashing, policies and procedures, and camp & catering service. These training opportunities were subject to the short construction season, environmental sensitivity and the regulatory requirements for employment certification and safety standards.

**Table 3  
Cameron Hills Northern Goods & Services Purchased  
July 2002 to June 2003**

| <b>Service Provided</b>   | <b>Seismic</b>     | <b>Drilling &amp; Evaluation</b> | <b>Facilities</b> | <b>Total Dollars</b> |
|---|--------------------|----------------------------------|-------------------|----------------------|
| Heavy Equipment, Slashing, Trucking, Fuel, Camp & Catering Facility/Gathering System Construction | \$1,479,500        | \$1,152,100                      | \$194,200         | <b>\$2,825,800</b>   |
| Environmental, Heritage, Geological, Safety, Disposal, Water                                      | \$63,700           | \$569,750                        | \$60,050          | <b>\$693,500</b>     |
| Other (Local Motel & Services, Aviation, Equipment Rentals, Pipe Testing)                         |                    | \$222,700                        | \$25,450          | <b>\$248,150</b>     |
| <b>Total</b>  | <b>\$1,543,200</b> | <b>\$1,944,550</b>               | <b>\$279,700</b>  | <b>\$3,767,450</b>   |

**Table 4  
Cameron Hills Estimated Number of Short Term Northern Employment Person Days  
July 2002 to June 2003**

| <b>Service Provided</b>   | <b>Seismic</b> | <b>Drilling</b> | <b>Gathering</b> | <b>Totals</b> |
|---|----------------|-----------------|------------------|---------------|
| Heavy Equipment, Slashing, Trucking, Fuel, Camp & Catering Facility/Gathering System Construction | 1132           | 1624            | 248              | <b>3004</b>   |
| Environmental, Heritage, Geological, Safety, Disposal, Water                                      | 73             | 87              | 60               | <b>220</b>    |
| Other (Local Motel & Services, Aviation, Equipment Rentals, Pipe Testing)                         | 0              | 7               | 3                | <b>10</b>     |
| <b>Total Estimated Northern Person Days</b>   | <b>1205</b>    | <b>1718</b>     | <b>311</b>       | <b>3234</b>   |

The total estimated Northern person days includes employment provided in Alberta.

## **5.2 Long Term Employment & Training**

During the 1999/2000 season Paramount created the position of "Production Operator Trainee" for a northern person on the Cameron Hills project. A Paramount operator supervised this position and provided on-going daily training in production operations. This individual was hired on a full time basis in 2001 and has been trained at Paramount's Alberta facilities and is currently operating for the Cameron Hills project.

A second operator trainee position was filled by a northerner on August 15, 2002. A summer student from Hay River, NT was employed at the Paramount Bistcho plant from May 2003 to August 2003.

Appendix 1

**Tracking of Consultation for the Paramount Cameron Hills Project**

| Date        | People Contacted   | Purpose   | Issues Discussed   | Mitigation  |
|-------------|--|---|--|---|
| <b>2002</b> |  |   |  |   |
| Oct 1       | Paul Delorey, Jane Groenewegen, Owen Rowe, Robert Dean, Shawn Carter, Mike Maher, Dean McMeekin, Mike Mageean, Charlie Scarborough | To meet local government and business owner's from Hay River and discuss Paramount's projects | Reviewed the previous winter projects, financial investments and proposed 2002/03 projects. Discuss the goods and service opportunities and the bidding evaluation process. Discussed Paramount's current apartment and the possibility of opening an office in the local business area.   | Contractor Profile was distributed to the Business Community to be completed and returned to Paramount                  |
| Oct 3       | Doug Bryshun   |   | Reviewed the proposed 2002/03-winter project scope and goods and service opportunities. Doug met with Paramount drilling personnel Oct 2 and will continue discussions with them, seismic and facilities departments. Paramount responded to the EDFNA Aug 27/02 letter regarding the CIP. It was recognized that some time would likely lapse in receiving a collective community response as two communities have new leaders. Paramount provided a brief update on the Wildlife Harvesting Compensation Plan. | Mitigation not required, discussions are on-going. Doug will send Paramount an updated list of Fort Providence services |

| <b>2002</b> |  |  |  |  |
|-------------|--|--|--|--|
| Date        | People Contacted   |  | Issues Discussed   | Mitigation                                   |
| Nov 6       | West Point First Nation<br>Ken Thomas                    |  | Ken was interested in an environmental monitoring position on Paramount's Cameron Hills project. He was not familiar with the permafrost, vegetation and wildlife monitoring plans that are approved for this project. I was discussed that Ken Brink will review these plans in the near future when Ken gets back from a break.  | Discuss monitoring plans with Ken Thomas     |
| Nov 8       | K'atlodeeche First Nation<br>Chief Roy Fabian            |  | Met with Chief Fabian to congratulate him on being chief and to let him know that I (Ken Brink) was available in Hay River for any questions regarding Paramount's projects  | None Required                                |
| Nov 8       | K'atlodeeche First Nation<br>EDO<br>Cynthia James        |  | Met with Cynthia and filled out a community checklist describing new Chief and council. Explained to Cynthia how Paramount is planning to track northern employment and training. Left an information sheet with Cynthia to list any alliance companies the HRR is associated with and what that relationship is. We also updated the list of available HRR owned or member companies. | Receive Alliance Company information for HRR |
| Nov 13      | West Point First Nation<br>Band Secretary<br>Wendy Cayen |  | Updated Chief and council information. Leon Cayen is acting chief and elections are to be held on Nov. 18 <sup>th</sup> for all positions. Discussed what companies WPFN is aliened with.  | None required                                |
| Nov 14      | KFN<br>Cynthia James                                     |  | Met with Cynthia briefly and told her that the sooner Paramount can get the Alliance information the better it is for Paramount's managers to provide bidding opportunities to HRR alliances.  | None Required                                |

|        |   |  |  |
|--------|---|--|--|
| Nov 18 | Karen Cooper<br>Hay River ECE   | Karen explained that her department will not be able to share a database on who is being trained or available for employment and their department would not fund an employment opportunity position for the Cameron Hills projects. Karen recommended posting short-term job opportunities on jobsnorth.com. Paramount arrived for the scheduled meeting of the Regional Petroleum Committee but it was cancelled again this morning without notice as it was on Friday.           | Meet with ECE on Nov. 19 <sup>th</sup> to discuss employment for northerners                               |
| Nov 18 | Robert Dean, Stan Dean and Sons Ltd. Sean Carter, Carter Industries Ltd. Jack Rowe, Rowe's Construction Ltd. Roy Crowther, Kieth's Water Service Ltd. | Individual meetings were held with each company to discuss employment opportunities on the Cameron Hills project this winter. Also discussed were whom any of the companies have an alliance with and what training opportunities for northerners their company has provided.  | None required  |
| Nov 18 | Karen Thomas<br>West Point First Nation   | We have arranged to meet to review the Traditional Knowledge report that was created by Paramount from information gathered last winter from elders.<br>The same elders will be invited that were involved in the initial gathering of TK information. Karen is to call Ken Brink when elders are all in Hay River and available to meet.  | Meeting with West Point First Nation to review TK information  |
| Nov 19 | Karen Cooper<br>(ECE)/RWED Regional Petroleum Committee.  | Employment of northern people was discussed. It was explained that ECE has a specific departmental directive that they cannot provide a database for employment purposes. Companies are to deal with the communities on an individual basis or use the web site, (jobsnorth.com) to post any employment opportunities they have. Paramount explained that with a short time frame to work, the Oil and Gas Industry needs to know who is available to go to work on a daily basis. | As ECE is unable to assist POU in the employment of northerners, POU will continue with their own efforts. |
| Nov 19 | Diana<br>K'atloodeeche First Nation receptionist  | Diana helped look for a form that was supposed to have been faxed to Paramount. The form was to outline whom the K'atloodeeche First Nation has alliances with. It was explained that bids for work will be going out right away and Paramount is trying to provide as many opportunities to Northern Communities as possible. The form was not found.   | POU will keep communication with HRR on employment opportunities   |
| Nov 20 | Chief Sam Gargan with Ft. Providence Dene Band<br>Anita Chicot to arrange a meeting with Chief Lloyd Chicot   | Discussed availability to have a meeting in the next two weeks to provide an update on Paramount's project.  | None required  |
| Nov 20 | Chief Roy Fabian<br>(K'atloodeeche First Nation)  | Discussed availability to have a meeting in the next two weeks to provide the latest information on Paramount's project to Chief Fabian. Will talk again with Chief Fabian on Friday Nov. 22 <sup>nd</sup> as he has meetings until then.  | None Required  |
| Nov 22 | Chief Sam Gargon  | Discussed the nature of Paramount's proposed update meeting in Hay River, which is to provide a project update to northerners on this winters work.  | None required  |
| Nov 22 | John Bartlett<br>Ft. Providence Resource Management   | John informed Paramount of the pending Woodland Caribou Stewardship plan to monitor caribou in the Cameron Hills. E-mail was sent to Paramount outlining caribou project, funding and contact people. Alison dePelham, Ex Director of DCFN and Debbie Johnson RWED were informed by John that Ken Brink would be the contact person for POU as it relates to caribou issues in the Cameron Hills   |  |

|             |   |   |                                    |
|-------------|---|---|------------------------------------|
| Nov 26 & 27 | Open House in Hay River                                 | Posted, faxed or hand delivered notice of open house meeting at or with:<br>ECE office, Town Hall, Northern Store, Hay River Reserve. Kieth's Water Service, West Clean, Stan Dean and Sons, Carter Industries, Rowes Construction, Mike Vandell, Hilda Sabourin, Bob Head. (all Ft. Providence)<br>Chief Leon Thomas, Wendy Cayen and Gwen Cayen. (West Point First Nation).<br>Chief Roy Fabien, Cynthia James, Shirley Lamalice, Ken Norn (Hay River Band)<br>Winnie Cadieux and Genevieve Clark (Enterprise)<br>Anita Chicot at band office, Kakisa,<br>Mike Mageean (RWED)   | None required                      |
| Nov 28      | Open House in Hay River                                 | Paramount representatives presented updated information on their proposed seismic, drilling and pipeline/facilities project for 2002/2003-winter season.<br>Employment for northerners was the main focus, with no other concerns being raised by attendees. Paramount focused on employment and training opportunities for northern people. This also involves an emphasis to be put on any prime contractors or sub contractors to also focus on opportunities for northern employment and training.<br>The outcome was clearly a better understanding of the project and what employment opportunities were available. | None required                      |
| Dec 6       | Trappers, Dennis Strang and Roy Buggins                 | Dennis and Roy are the only trappers identified as utilizing the Cameron Hills project area. Personal notification was provided outlining the proposed startup of activity on Paramount's winter project. They both have no concerns.   | Inform Roy Buggins when road opens |
| Dec 6       | Shawn Carter  | Discussed mobilization and equipment needs. Ongoing employment and training opportunities for northern people were discussed.   | None Required                      |
| Dec 11      | Hay River, West Point, Ft. Providence and Kakisa Bands  | Informed all bands that Paramount has started its winter project in the Cameron Hills and how to best reach Paramount during the Christmas holiday period if there are any concerns. Employment opportunities and timing of work were explained to each band.   | None required                      |
| <b>2003</b> |   |   |                                    |
| Jan 10      | Northern News Services (Business Editor) Thorunn Howatt | Spent the day with Thorunn in the Cameron Hills reviewing and describing the various Paramount projects and focusing on the northern employment that is taking place as a result.   | None required                      |
| Jan 14      | Hay River trapper Roy Buggins                           | Met with Roy at his cabin in Cameron Hills.<br>Reviewed the Paramount project, his role as environmental monitor and the associated reporting requirements.   | None required                      |
| Jan 15      | Mike Mageean RWED                                       | Spent the day with Mike in the Cameron Hills to review all aspects of, and to meet the supervisors for the various Paramount projects. Employment and training opportunities were the focus of the day.   |                                    |
| Jan 16      | Kakisa Trapper Fred Simba                               | Fred indicated that starting his employment as heritage monitor in mid February is preferable to coincide with his other commitments  | None required                      |
| Jan 17      | Trapper Roy Buggins                                     | Met with Roy and gave him more information and forms as it relates to his environmental monitoring on Paramount's Cameron Hills project. Roy indicated everything was going well with the project.  | None required                      |
| Jan 20      | Carter Industries Ltd. Hay River                        | Picked up employment information on northern employees and training provided to northerners with their company.   | None required                      |
| Jan 20      | Keith's Water Services Ltd. Hay River                   | Met at their office and reviewed their northern employment and training as it applies to their working with Paramount.  | None required                      |

|        |   |   |               |
|--------|---|---|---------------|
| Jan 21 | Kakisa Band<br>Chief Lloyd Chicot, Alan Landry  | Paramount gave an update of their Cameron Hills project, reviewed the use of companies that are aligned with the Kakisa band and what employment and training has resulted from Paramount's use of these companies. Chief Chicot and Alan Landry confirmed that everyone from their community that wanted employment is working or lined up to go to work. Paramount requested to address confirmation of Traditional Knowledge already obtained and how best to proceed with the community on sharing more information. Paramount was invited by Chief Chicot to attend with himself and elders on a TK trip to Tathlina Lake in March of this year.<br>Paramount will keep in communication with band office and Fred Simba to facilitate his employment as Heritage monitor again this year. | None required |
| Jan 21 | Ft. Providence<br>Bob Head<br>(Manager, Digaa Enterprises Ltd.)   | Reviewed employment and training opportunities and gave an update on Paramount's project in the Cameron Hills   | None required |
| Jan 21 | Ft. Providence<br>Greg Nyuli (Assistant band manager), Shirley Gargan (Employment Officer)<br>Mike Vandell<br>(Band councilor and manager of land and resource board) | Paramount gave an update on their project in the Cameron Hills and reviewed employment and training opportunities.<br>Paramount was told that the community has people employed in both of their camps at the project site and they just brought a rig worker out this morning.<br>There will be safety training in the community next week for rig floor hands and heavy equipment operators and other potential employees to keep their tickets current.<br>Updating and confirming existing TK information was discussed with Mike Vandell. We are to meet again on this issue.  | None required |
| Jan 22 | Westpoint First Nation<br>Chief Leon Thomas and Elders  | Reviewed the TK report that was written last winter after meeting with Westpoint First Nations chief and elders. Confirmed with all community members present at the original TK meeting that the information in this report and map was accurate.<br>Paramount gave Chief Thomas and community member an update on the Cameron Hills project and reviewed employment and training issues.<br>Chief Thomas said they have employment through one of the local Hay River contractors that is aligned with their community.   | None required |
| Jan 28 | Kakisa, Band Manager-<br>Ruby Landry  | Hand delivered a letter of acceptance for attending a TK gathering trip to Tathlina Lake in March. Hand delivered a job description for a wildlife monitor to assist with the approved Wildlife Monitoring Plan associated with the Cameron Hills pipeline and gathering system.<br>Ruby will give information to Chief Chicot in the morning.  | None required |
| Jan 29 | (EC&E)-<br>Myreene Toben<br>(RWED)-<br>Mike Mageean   | Met with Myreene and Mike at the seismic camp in the Cameron Hills to discuss employment opportunities with the upcoming recording crew activities.<br>Reviewed the job description notices to be posted for seismic helpers. Discussed strategies to ensure the employment recruitment meeting in Hay River on Monday evening would be as successful as possible.  | None required |
| Jan 30 | (RWED Regional Biologist)-<br>Deb Johnson   | Met with Deb in Hay River to discuss many aspects of Woodland Caribou and their habitat requirements. Paramount expressed an interest to participate in any studies that are initiated in the Cameron Hills area. Paramount also offered logistical assistance and meals for caribou survey crews while in the area this winter.  | None required |

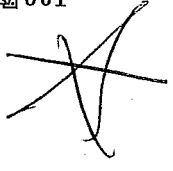
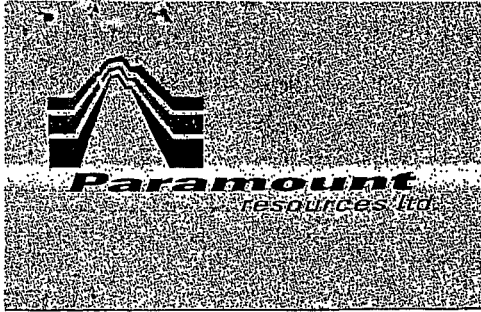
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|---------|--|--|---------------|
| Jan 31  | Kakisa-<br>Alan Landry   | Reviewed the possibility of having George Simba from Kakisa assist in the wildlife track counts for Paramount's Wildlife Monitoring Plan. This approved plan is applicable to the Cameron Hills Gathering System and Transborder Pipeline. Alan Landry confirmed that George would be available starting February 4 <sup>th</sup> , 2003.  | None required |
| Feb 1-2 | (EC&E)-<br>Myreene Toben<br>(Trace Energy)-<br>Mike Maguire  | A cumulative decision was reached between Trace Energy and EC&E regarding the wording for a recruitment meeting and job description notice. Paramount posted these notices in, and reviewed the employment opportunity with the leaders of all effected communities. The employment opportunity is for recording crew workers in the Cameron Hills.  | None required |
| Feb 3   | Kakisa- Alan Landry  | Made arrangements that Paramount would pick up George Simba in Kakisa tomorrow and bring him to the Cameron Hills to assist with the Wildlife Monitoring Plan. This would involve working and training with wildlife biologists from Golder Associates.  | None required |
| Feb 3   | (Food Town) Hay River<br>Reserve owned company-<br>Elida   | Paramount assisted with some logistical problems regarding Paramount's Catering companies providing opportunities for placing food orders through this local company.  | None required |
| Feb 3   | (Trace Energy)- Mike<br>Maguire and Stephen<br>MenDuk.<br>Twelve people from Hay<br>River and Ft. Providence<br>(Paramount)- Ken Brink | This was a recruitment meeting of Trace Energy held in Hay River to explain the project and hopefully employ at least twelve northern people to assist the recording crew. Paramount representative explained aspects of the project that people asked about. Six people met the criteria for employment with Trace and where to meet Trace representatives in the morning to go to work.  | None required |
| Feb 4   | (RWED)- Mike Mageean<br>Kakisa- George Simba   | Paramount's project and the Wildlife Monitoring Plan were explained to George Simba with Mike Mageean in attendance. Current aspects of Paramount's drilling program were explained to Mike Mageean including northern employment opportunities.   | None required |
| Feb 11  | Hay River Reserve-<br>Les Norn   | Paramount reviewed possible employment opportunities for Les Norn's Vacuum Truck.  | None required |
| Feb 12  | (RWED)-<br>Mike Mageean  | Paramount personnel traveled to the Cameron Hills project site with Mike Mageean. All aspects of the current operations were discussed, including employment opportunities for northern personnel and services.  | None required |
| Feb 14  | Hay River Reserve-<br>Chief Roy Fabian,<br>Cynthia James,<br>(Economic Development<br>Officer), Tina, (Food<br>Town Representative)    | Paramount reviewed the considerable efforts they have made through their Prime Contractor's catering companies to utilize the services of Food Town to provide the grocery needs to the camps in the Cameron Hills.  | None required |
| Feb 19  | (RWED)-<br>Mike Mageean  | Paramount personnel traveled to the Cameron Hills project site with Mike Mageean. All aspects of the current operations were discussed, including employment opportunities for northern personnel and services. Mike was asked for assistance in talking to the Hay River Band to emphasize the importance of the opportunity being provided to Food Town. The challenges regarding this service being competitive were discussed. | None required |
| Feb 20  | Kakisa-<br>Chief Lloyd Chicot  | Confirmed a March 10th trip with Paramount staff, himself and elders for TK knowledge gathering at Tathlina Lake.  | None required |



|        |  |   |   |
|--------|--|---|---|
| Feb 21 | Kakisa-<br>Chief Lloyd Chicot  | Reviewed employment issues and confirmed that the community was pleased with the availability of work for their people. Discussed the TK gathering trip to Tathlina Lake on March 10 <sup>th</sup> and what activities would occur while out on the land. Chief Chicot was also invited to participate on a tour of the projects in the Cameron Hills on March 13 <sup>th</sup> , 2003                                  | None required   |
| Feb 21 | Ft. Providence-<br>Chief Sam Gargan  | Paramount requested another opportunity to review the TK report that was drafted last year. Chief Gargan gave direction to talk with Joachim Bonnetrouge first and then approach him again if the report is acceptable to Joachim. Chief Gargan was invited to attend a Cameron Hills tour with Paramount on March 13 <sup>th</sup> , 2003.   | None required   |
| Feb 24 | Ft. Providence-Joachim<br>Bonnetrouge  | Discussed the TK report drafted by Paramount last year. Attempted to set a meeting date to proceed with more TK review in the near future. Joachim is busy for the next week or two. Paramount expressed their desire to incorporate as much of the TK for the Cameron Hills into their ongoing projects as possible.   | None required   |
| Feb 26 | (RWED)-<br>Mike Mageean  | Paramount personnel traveled to the Cameron Hills project site with Mike Mageean. All aspects of the current operations were discussed, including employment opportunities for northern personal and services. Mike also met with the seismic managers at the camp. They are shutting down tomorrow. It was agreed that this operation was very successful in its attempts to employ northern services and individuals. | None required   |
| Feb 27 | Ft. Providence-<br>Chief Sam Gargan,<br>Shirley Gargan (EDO),<br>Councilors, Wayne<br>Vandell and Johnas, Greg<br>Nyuli. | Review of personnel issues relating to the Cameron Hills projects.  | Continuing<br>discussions are to be<br>held   |
| Feb 27 | Kakisa-<br>Chief Lloyd Chicot  | Talked with Chief Chicot and he is not sure if the scheduled March 10 <sup>th</sup> TK gathering trip to Tathlina Lake will occur now.  | None required   |
| Mar 7  | RWED. Mike Mageean,<br>Deb Johnson   | Paramount's participation in helping out RWED with caribou surveys and fuel storage in the Cameron Hills. Present project operations were explained to Mike Mageean during trip to the Cameron Hills  | None required   |
| Mar 10 | Ft. Providence Dene<br>Band. Mike Vandell,<br>Wayne Vandell, John<br>Bartlett  | Discussed current employment issues, potential project tour and the Wildlife harvesting compensation plan.  | None required   |
| Mar 11 | Ft. Providence Dene<br>Band. Maggie and John<br>Bartlett   | Cameron Hill's tour cancelled by Ft. Providence.<br>Reviewed the varying expectations for the unresolved Wildlife Harvesting Compensation Plan with John Bartlett.  | None required   |
| Mar 14 | Hay River Reserve<br>Trapper<br>Roy Buggins  | Roy Buggins provided additional TK and verified information in the previous TK report. This information is of particular importance, it is the only known aboriginal Traditional Knowledge information from the NWT that shows any traditional use of the lands covered by Paramount's SDL on the Cameron Hills plateau.  | Include new TK<br>information in the<br>K'atlodeeche First<br>Nation and Hay River<br>Traditional<br>knowledge Study for<br>the Cameron Hills |
| Mar 16 | Hay River<br>Dennis Strang   | Dennis Strang provided additional TK and verified information in the previous TK report   | Include new TK<br>information in the<br>K'atlodeeche First<br>Nation and Hay River<br>Traditional<br>knowledge Study for<br>the Cameron Hills |

|           |  |  |                                      |
|-----------|--|--|--------------------------------------|
| Mar 17    | Hay River MLA, Paul Delorey. RWED, Mike Mageean.   | Entire Paramount project operations were explained to Paul Delorey and Mike Mageean during a day tour of the Cameron Hills project area. This tour also explained the considerable efforts made by Paramount to capture as many qualified northern employees and services.   | None required                        |
| Mar 17    | Wildlife Harvesting Plan   | Paramount received written confirmation that the mitigation process continues to be on hold at the request of the Communities.   | None required                        |
| Mar 18    | Ft. Providence Dene Band Administrator, Greg Nyuli. Ft. Providence Metis Nation President, Albert Lafferty | Paramount delivered letters requesting additional TK information, if available, and to invite any leaders or councilors on a tour of the Cameron Hills project site before vehicle access to the Cameron Hills ceases.   | None required                        |
| Mar 20    | Kakisa Band, Margaret Leishman   | Received TK information on how to determine when moose and porcupines are fat and ready to harvest.  | Add information to existing TK study |
| Mar 21    | Ft. Providence Band, Chief Sam Gargan  | Band council has declined to attend a tour of the Cameron Hills.   | None Required                        |
| Mar 21    | Hay River Reserve, Chief Roy Fabian  | Paramount requested any additional TK information, if available, to augment the prior study. Chief Fabian was invited to tour the Cameron Hills project area.  | None required                        |
| Mar 24-25 | Hay River Dene Reserve, EDO, Cynthia James   | Messages were left at Hay River Dene Band Office giving Cynthia James an open invitation to attend a trip to the Cameron Hills project site. Cynthia stated they are very busy and through band members working on the Paramount projects, they have an opportunity to find out what is happening up there.  | None required                        |
| Mar 29    | Hay River Dene Band member and local Cameron Hills trapper; Roy (Raymond) Buggins                          | Talked with Roy Buggins regarding how Paramount has conducted its project from an environmental and northern opportunities perspective. Roy reported there has been no adverse effect to his trapping area and was quick to point out that he is the only person that has trapped the area where Paramount has its project in at least thirty years. Roy also said that he has seen the considerable effort that Paramount has put into getting Northern people involved with working on the project.  | None required                        |
| Mar 30    | RWED<br>Deb Johnson  | Discussed woodland caribou herd locations and where Deb has found caribou for her collaring program this winter. She said no caribou have been collared or spotted on the NT side of the Cameron Hills plateau. Deb said they have collared some caribou to the east and north of the plateau on the lowlands. Paramount offered to take her for a driven tour of the project site in the Cameron Hills before the winter road closes. Deb said she could not get away for a tour at this time. We agreed to keep up communications regarding woodland caribou issues in the area. |                                      |
| Apr 24    | Wildlife Harvesting Plan   | Paramount received notification from the mediator that the Communities requested the Wildlife Harvesting Plan be put on hold.  |                                      |
| Jun 12    | Hay River Dene Band, Diane Tregidgo  | Discussed the purpose and timing of an upcoming open house and workshop put on by Paramount and requested that it be held at the band office boardroom. Preliminary plans were put in place  | None required                        |
| Jun 12    | RWED, Mike Mageean   | Environmental monitoring standards and northern training initiatives as they relate to the NT oil and gas industry. Mike was able to provide valuable input to Paramount regarding the upcoming open house and community workshop.   | None required                        |
| Jun 16    | EC&E. Colleen Proctor.   | Discussed proposed standards for Environmental Monitors in the NT. Paramount informed Colleen that their committee should contact the Canadian Association of Petroleum Producers to get input from all oil and gas companies instead of just Paramount.   | None required                        |

|        |  |   |                |
|--------|--|---|----------------|
| Jun 20 | Kakisa, Anita Chicot                                     | When the best timing would be for a community open house in Hay River and to try to set up a time when Paramount's COO could meet with elders and Chief Chicot out on the land for a couple of days. The dates of July 14th and 15th were discussed for the Open house and Community workshop. Paramount told Anita they will confirm with other communities and let Anita know which of these dates will be chosen for the Open House and Community workshop | None required  |
| Jun 20 | Ft. Providence, Victor Constante                         | Arrangements for Open House and Community Workshop in Hay River on July 14th and 15th, 2003   | None required  |
| Jun 20 | Hay River Dene Band. Chief Roy Fabian and Diane Tregidgo | Employment opportunities for the band and booked the boardroom at the band office for the upcoming Community Workshop in July. Chief Fabian said he will be in Edmonton on the planned Workshop days but will arrange for band representatives to attend.   | None required  |
| Jun 20 | Westpoint First Nation, Wendy Cayen.                     | Arrangement for the upcoming Open House and Community Workshop in July  | None required  |
| Jun 21 | Ft. Providence Band. John Bartlett                       | Availability to attend the upcoming Community Workshop at the Hay River Band Office on July 15th.   | None required. |
| Jun 26 | Ft. Providence Band. John Bartlett                       | Further discussion regarding Community Workshop in Hay River on July 15th.<br>The RWED, NT caribou study was discussed  | None required  |
| Jun 26 | Ft. Providence Metis. Albert Laferty                     | Information and invitation was given to Albert regarding the upcoming Open House and Community Workshop in Hay River on July 14th and 15th.   | None required  |
| Jun 27 | Enterprise Hamlet Office                                 | Notification and invitation to Open House in Hay River on July 14th.  | None required  |
| Jun 27 | DIAND, Andrew Forbs and Norm McCowan                     | Notification and invitation to Open House in Hay River on July 14th.  | None required  |



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September 13, 2002

Indian and Northern Affairs Canada  
Northern Oil and Gas  
6<sup>th</sup> floor, Room 626  
10 Wellington Street  
Ottawa, Ontario  
K1A 0H4

**Attention: Mimi Fortier, Director**

Dear Madam:

**Re: Annual Report with Additional Information  
Cameron Hills, Northwest Territories**

As a follow-up to a telephone conversation with Andy Graw, Paramount has revised the Annual Report submitted to you on August 22, 2002. The revised report includes the total estimated person days for last season activity and Paramount's project consultation log. We trust you find this information complete.

Should you require additional information, please contact the undersigned at (403) 290-3618.

Yours truly,

Shirley Maaskant  
Regulatory & Community Affairs Coordinator

CC: Andy Graw  
Encl: 3 copies revised Annual Report



**Paramount**  
*resources ltd.*

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# ANNUAL REPORT

For The

## CAMERON HILLS GAS & OIL BENEFIT PLAN

July 2001 - June 2002

Date Prepared: August 2002 (Revised)

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## 1.0 Introduction

This report outlines the principles and practices of Paramount Resources Ltd. ("Paramount") with respect to northern benefits applied to gas and oil operations in Cameron Hills, Northwest Territories as described in Paramount's Cameron Hills Gas & Oil Development Project Benefits Plan Update and Submission dated March 2001 and the Canada Benefits Plan dated August 1991.

Paramount conducted field activity during the 2001 to 2002 winter season at Cameron Hills, Northwest Territories. The Projects conducted include seismic acquisition, drilling and evaluation, gathering system and facilities construction, and trans-border pipeline construction. These Projects culminated in natural gas production being realized from the Cameron Hills. Production of natural gas from the Cameron Hills field to Paramount's existing infrastructure in Alberta commenced March 26, 2002.

A 15-kilometer trans-border pipeline project was constructed from the Cameron Hills battery site in the Northwest Territories to existing Paramount infrastructure in Alberta. This project does not require, and is not part of the Benefit Plan for the Cameron Hills area. Reference to this trans-border pipeline project is made only to inform the reader that goods and services and northern personnel may have been employed on this project in conjunction with Projects covered in the Benefit Plan.

The primary field activity for all three Projects occurred over an average of 55 days resulting in a capital expenditure of approximately eighteen million (\$18,000,000) dollars. Approximately three million seven hundred thousand (\$3,700,000) dollars of that capital expenditure was paid to northern services, not including payroll that individuals may have realized, and an estimated two thousand two hundred forty (2240) person days of northern employment were realized. These results indicate that Paramount was successful in conducting an effective employment program. We will continue to work with northerners to encourage enhancement of services through regular consultation with the communities, regulators and governments.

The dollar values and vendor information presented in this report are derived from Paramount's accounting system. Employment and training data was gathered from Paramount's primary contractors and their third party contractors.

## 2.0 Work Program Description

Seismic, Drilling/Evaluation and Facility projects were proposed for 2001 – 2002. The scope of activity proposed varies from the actual activity conducted. The following Table 1 summarizes the proposed and actual project activity.

Note: The trans-border pipeline project has been included in this table to illustrate all of Paramount's Cameron Hills Projects, which were conducted simultaneously.

**Table 1**  
**Cameron Hills Proposed Activity Scope vs. Actual Activity**  
**For the July 2001 – June 2002 Projects**

| <b>Project</b>                   | <b>Proposed Project Scope</b>   | <b>Actual Activity Conducted</b>  | <b>Proposed Activity Scope vs. Actual Activity</b>  |
|----------------------------------|---|---|---|
| <b>Seismic</b>                   | Acquire 72 kilometers of 2D seismic   | Acquired 72 km of 2D seismic  | No variance   |
|                                  | Acquire west side 40 km <sup>2</sup> 3D program   | Acquired west side 40 km <sup>2</sup> 3D program  | No variance   |
| <b>Drilling &amp; Evaluation</b> | Drill & evaluate between 1 and 9 new wells  | Drilled & evaluated 3 of the 9 new wells  | Regulatory approvals were obtained mid February with sufficient winter season remaining to drill 3 wells. |
|                                  | Re-enter existing wells as required   | Re-entered and evaluated 2 existing wells   | No variance   |
| <b>Facilities</b>                | Tie in 20 producing wells and 1 disposal well   | Tied in 6 of the 21 wells with approximately 32 km of gathering line and the associated bridges | Due to the timing of regulatory approvals, only 6 existing wells could be tied in.                        |
|                                  | Construct a central oil & gas facility and associated facilities (airstrip, living quarters, etc) | Constructed the central facility to handle gas operations                                       | The 6 wells tied in were gas wells, therefore, the oil component was not constructed                      |
| <b>Operations</b>                | Bring 20 wells on production  | Brought 6 wells on production   | Only 6 wells were tied in   |
| <b>Trans-border Pipeline</b>     | Construct a 15 kilometer, 12" trans-border pipeline   | Constructed the 15 km, 12" trans-border pipeline  | No variance   |

### 3.0 Projects Timeline

The Cameron Hills project area is accessed via a winter road, which is primarily located in Alberta. Opening this winter road access from Alberta to the project site commenced early December 2001 and continued until mid-December 2001 at which time the project was postponed pending the remaining regulatory approvals. Another oil and gas company used the



Alberta portion of the access road and completed the balance of the road opening with their service company. Paramount's road opening activity in the Northwest Territories re-commenced on January 31 2002 in anticipation of regulatory approval, which was obtained mid-February 2002. Seismic, drilling, and facility field activity timelines are represented in Figure 1.

| <b>Figure: 1</b>                              |                |            |                |               |              |
|---|----------------|------------|----------------|---------------|--------------|
| <b>Cameron Hills Field Activity Timeline</b>  |                |            |                |               |              |
| <b>For the July 2001 – June 2002 Projects</b> |                |            |                |               |              |
| Field Activity                                | 2001           |            |                | 2002          |              |
|   | DEC            | JAN        | FEB            | MAR           | APR          |
| Seismic                                       | 3 10 15 24 31  | 7 14 21 31 | 4 11 15 18 25  | 4 11 18 25 28 | 1 6 15 22 29 |
| Drilling                                      | <b>13 Days</b> |            | <b>66 Days</b> |               |              |
| Facilities                                    |                |            | <b>39 Days</b> |               |              |

#### 4.0 Total Program Costs

Capital expenditures presented in Table 2 include all costs associated with the implementation of the 2001 – 2002 seismic, drilling/evaluation, and facility projects.

| <b>Table 2</b>                                |  |                     |
|---|--|---------------------|
| <b>Cameron Hills Capital Expenditures</b>     |  |                     |
| <b>For the July 2001 – June 2002 Projects</b> |  |                     |
| Seismic                                       | Acquisition of 2D & 3D   | \$ 1,923,300        |
| Drilling/Evaluation                           | Drill & evaluate 3 wells, re-enter 2 wells   | \$ 5,127,600        |
| Facilities                                    | Tie in 6 wells (complete with associated gathering and bridges). Construct gas handling at the central facility. | \$11,121,000        |
| <b>TOTAL CAPITAL EXPENDITURES</b>             |  | <b>\$18,171,900</b> |

## 5.0 Northern Goods & Services, Employment & Training

Paramount spearheaded several goods and services, employment and training initiatives to provide as much opportunity as possible to northerners for these Projects. These initiatives are listed below.

- a) On-going consultation with all potentially affected communities
- b) Project updates were distributed to communities, governments and regulators. These updates contained a list of the types of services that may be required for each project, and once the contracts were awarded, the name of the primary contractor that had been retained for selected services. This provided communities, businesses, individuals and government with the knowledge of the services that could be bid on, an opportunity to assess training requirements, and ultimately the primary contractor information for contact of third party contracting, employment and training opportunities.
- c) Preferred primary contractor information was provided to the aboriginal communities prior to the bidding process to enable the communities to assess their alliance company options.
- d) Paramount developed and circulated a Contractor Profile document, which provided northern companies the opportunity to outline their qualifications, experience, and safety record prior to the bidding process. The Contractor Profile form was circulated to all Cameron Hills area Band offices, Hay River Chamber of Commerce, individual businesses, and through the Department of Indian and Northern Development ("DIAND") Hay River office and the Government of the Northwest Territories – Resource Wildlife and Economic Development ("RWED") Hay River office.
- e) Aboriginal communities were provided every opportunity, and frequently prompted by Paramount to provide information on their alliance companies. Aboriginal community goods and services lists complete with their alliance company contact information were prepared by Paramount and distributed to the primary contractors awarded bids to ensure they contacted these services for third party contracting opportunities. Where an alliance company qualified as a primary contractor, they were provided the opportunity to bid on the Projects.
- f) Employment opportunities were provided to aboriginal community members to facilitate the gathering of trapping, traditional and environmental data for regulatory applications and program design as well as to adhere to regulatory requirements for heritage and environmental monitors during the construction phase.

The seismic project utilized one primary seismic contractor for both programs, the drilling project utilized one drilling rig and one service rig complete with the associated services, and the gathering project utilized one primary pipeline contractor. Primary contractors and third party contractors retained for these projects made every effort to retain northern individuals. It appears

that most northern individuals in the area with the applicable skill, safety certification, and desire to work, were provided an opportunity for employment on these projects.

### **5.1 Short Term Employment & Training**

Paramount consulted with DIAND and RWED and potential primary contractors who had previously facilitated training opportunities for northerners in anticipation of employment opportunities in the oil and gas industry. An effort was made to provide these individuals, who were available for work, with employment opportunities on these Projects. As a result, a significant number of workers from the north were retained by Paramount's primary contractors to facilitate these projects in the extremely short timeframe of mid-February to the end of March. These individuals came from the Northwest Territory communities of Fort Liard, Fort Providence, Fort Resolution, Fort Simpson, Hay River, Hay River Dene Reserve, Kakisa, Trout Lake, and West Point First Nation. Table 4 illustrates the type of service provided and the approximate number of northern individuals retained to facilitate each of the Cameron Hills projects.

Not all individuals trained were required for employment at Cameron Hills. Primary contractors provided employment on other projects to individuals from Fort Smith, Hay River, Hay River Reserve, Kakisa, Nahanni Butte, Trout Lake, Fort Providence, Yellowknife, and Whitehorse.

The number of northern companies that provided services to the Projects was predicated by their availability of equipment and personnel. Northern and/or alliance companies that provided service to these Projects are as follows:

Bassett Petroleum, Caribou Motor Inn, Carter Industries, Chinook Energy, Dene Directional, Dene Oilfield, Denendeh Helicopters, Digaa Enterprises, Golder Associates, Greenway Realty, Hay River Disposal, IROC NWT, Ka'a'Gee Tu First Nation, Keith's Water Services, Kingland Ford, Les Norm Contracting, Midnight Petroleum, Nahendeh Land & Environmental, Northern Metallic Sales, Northern News, Northwestel Inc, Rowes Construction, Running Horse Resources, Shehtah Drilling, Stan Dean & Sons, Stitco Utilities, Total Oilfield, and Travers. A summary of the dollars paid to these northern and/or alliance companies is presented in Table 3.

On the job training was provided by Paramount's contractors; on heavy equipment operations, basic safety indoctrination, laborer/apprentice electrician tasks, radiography, safety services, slashing, policies and procedures, and camp & catering service. These training opportunities were subject to the short construction season, environmental sensitivity and the regulatory requirements for employment certification and safety standards.

| <p align="center"><b>Table 3</b><br/> <b>Cameron Hills Northern Goods &amp; Services Purchased</b><br/> <b>For the July 2001 to June 2002 Projects</b></p> |                  |                                  |                    |                      |
|--|------------------|----------------------------------|--------------------|----------------------|
| <b>Service Provided</b>  | <b>Seismic</b>   | <b>Drilling &amp; Evaluation</b> | <b>Facilities</b>  | <b>Total Dollars</b> |
| Heavy Equipment, Slashing, Camp & Catering   | \$778,000        | \$1,247,000                      | \$675,000          | \$2,700,000          |
| Environmental, Heritage, Geological, Safety, Disposal, Water   | \$57,000         | \$210,000                        | \$323,000          | \$590,000            |
| Rig, Fuel  |                  | \$240,000                        |                    | \$240,000            |
| Other (Local Motel & Services, Aviation, Equipment Rentals, Pipe Testing)  |                  | \$66,000                         | \$141,000          | \$207,000            |
| <b>Total</b>   | <b>\$835,000</b> | <b>\$1,763,000</b>               | <b>\$1,139,000</b> | <b>\$3,737,000</b>   |

| <b>Service Provided</b>  | <b>Seismic</b> | <b>Drilling</b> | <b>Gathering</b> | <b>Totals</b> |
|--|----------------|-----------------|------------------|---------------|
| Heavy Equipment, Slashing,<br>Camp & Catering                                      | 283            | 1226            | 195              | 1704          |
| Environmental, Heritage,<br>Geological, Safety, Disposal,<br>Water                 | 55             | 207             | 142              | 404           |
| Rig, Fuel  | 14             | 80              |                  | 94            |
| Other (Local Motel &<br>Services, Aviation,<br>Equipment Rentals, Pipe<br>Testing) | 2              | 4               | 34               | 40            |
| <b>Total Estimated Northern<br/>Person Days</b>                                    | <b>354</b>     | <b>1517</b>     | <b>371</b>       | <b>2242</b>   |

It is estimated that the total person days of employment for seismic was 2330, drilling 2692 and facilities 4680 for a combined total person days of 9702.

## **5.2 Long Term Employment & Training**

During the 1999/2000 season Paramount created the position of "Production Operator Trainee" for a northern person on a Cameron Hills evaluation project. A Paramount operator supervised this position and provided on-going daily training in production operations. This individual was hired on a full time basis in 2001 and has been trained at Paramount's Alberta facilities and is currently operating for the Cameron Hills project.

A second operator trainee position is available to a northerner. This position has been advertised verbally and through the Government of the Northwest Territory website. Interviews are currently being conducted.

## Appendix 1

## Tracking of Consultation for the Paramount Cameron Hills Project

| Date       | People Contacted  | Purpose  | Issues Discussed  | Mitigation  |
|------------|---|--|---|---|
| 2001       |   |  |   |   |
| Aug 13     | Kakisa, Margaret Leishman                                     | To gain more knowledge about the Kakisa area and the people and uses of the land in the past.                            | Discussed what foods were eaten and the way the people traveled and used the land between Kakisa and Tathlina lake. Traditional uses of animal parts and plants were also discussed.    | None required.  |
| Aug.24     | Kakisa Band Margaret Leishman                                 | To gain traditional Knowledge Information  | Materials used to construct homes and seasonal travel and reasons for travel and supplies purchased in Ft. Prov.  | None required   |
| Sept. 21   | Ft. Providence and Hay River Band people                      | Discuss project and employment opportunities on the Cameron Hills Project  | All aspects of the proposed Cameron Hills project and services that may be required.  | None Required   |
| Oct 1      | Fort Providence, Doug Bryshun                                 |  | Emails between Paramount's geophysical Manager and Doug, discussing the seismic contract and pending jobs associated with this winter's proposed seismic                                |   |
| Oct. 13,14 | Ft. Providence Band councilors Wayne Vandell and Mike Vandell | Discussing traditional Knowledge and explain the LU application for 2D seismic in the Cameron Hills                      | Traditional Knowledge in the Cameron Hills area and explaining the new application for 2D seismic and access for drilling   | None required   |
| Oct.17     | Chief Lloyd Chicot Kakisa Lake                                | To explain the new Land Use application for seismic and set up a meeting with Mervin Simba for trapping information      | Provided Chief Chicot with a map showing the new 2D seismic being applied for and explained the length, width, location and other aspects of the proposed seismic project.              | None required   |
| Oct. 18    | Hay River Dene Band. Cynthia James                            | Present and explain 2D seismic application in Cameron Hills and attempt to obtain more Traditional Knowledge Information | Complete 2D seismic project being applied for and letter of request for traditional knowledge information   | Attend next band council meeting, hopefully Oct. 24, 2001 |
| Oct. 24    | Hay River Reserve Trapper. Roy Buggins                        | To settle outstanding damage claim for lost gas and traps  | Discussed moose and caribou on the Cameron Hills plateau. Roy said nobody hunts up there because it is too hard to get a big load down the hills. Signed damage release for lost traps. | None required   |

| Date    | People Contacted  | Purpose   | Issues Discussed  | Mitigation  |
|---------|---|---|---|---|
| Oct. 24 | Hay River Band<br>Chief Pat Martel and<br>Band Council  | Was invited to give<br>an update on<br>Paramount's<br>activities in the<br>Cameron hills and<br>discuss Traditional<br>Knowledge Issues                                     | Gave update on Paramount's activities.<br>Handed out recent update and discussed<br>timing and employment opportunities.<br>Stressed the need to get a list of<br>companies and services that are ready to<br>work this winter from the band.   | Obtain list of services<br>from the Hay River Dene<br>Band.                                       |
| Oct. 25 | Hay River Dene Band<br>Cynthia James,<br>Economic<br>Development Person                                   | To discuss the<br>possibility of getting<br>the band's list of<br>services as soon as<br>possible because<br>Paramount is<br>needing to get bid<br>information ready        | Discussed and explained the urgency in<br>getting a list of the companies available<br>through the band. Cynthia said she<br>should have the information by tomorrow.<br>The availability of Traditional Knowledge<br>was also discussed and Cynthia said the<br>band wanted Paramount to help fund<br>Greenpipe on an ongoing basis to gather<br>this information. She said she would be<br>writing Paramount a letter to this effect. | Contact Cynthia to get list<br>of services provided by<br>the Hay River Dene Band<br>by tomorrow. |
| Oct. 25 | West Point First<br>Nation, Chief Karen<br>Thomas   | To give and discuss<br>Paramount's project<br>update, give copy of<br>contractor profile and<br>find out what<br>companies<br>Westpoint has for<br>work this winter.        | Discussed Paramount's proposed project<br>in detail. Chief Thomas told me what<br>services they had and who they work<br>closely with.<br>We also arranged to get together with<br>some elders to discuss Traditional<br>Knowledge issues.  | None required   |
| Oct. 25 | Ft. Providence Dene<br>Band Councilor, Mike<br>Vandell and Economic<br>Development person<br>Doug Bryshun | To set up a meeting<br>with Mike and the<br>Resource<br>Management Board<br>to discuss Traditional<br>Knowledge and to<br>get updated Services<br>list from Doug<br>Bryshun | Discussed need for getting bid<br>information out and Doug will fax me the<br>latest updated services list they have.<br>Mike and I discussed Traditional<br>Knowledge issues and will be getting<br>together with the resource management<br>board by Monday.  | None required   |
| Oct. 26 | Kakisa<br>Chief Lloyd Chicot<br>Wayne Simba,<br>(councilor for band)                                      | To discuss<br>Paramount's update<br>on the project  | Fully discussed the scope of the project<br>that Paramount plans for this winter and<br>what employment opportunities there<br>may be.<br>Also talked about problems with working<br>together with the other communities and<br>traditional land issues. Discussed getting<br>some more Traditional Knowledge<br>information from Mervin Simba and<br>Annie Chicot  | None required   |
| Oct. 26 | Kakisa<br>Annie Chicot<br>Elder   | To discuss<br>Traditional<br>Knowledge issues<br>around the Cameron<br>Hills  | Discussed life on the land around<br>Tathlina Lake when she was a girl and<br>where they fished, hunted moose and<br>trapped  | None required   |

| Date    | People Contacted   | Purpose   | Issues Discussed   | Mitigation                                     |
|---------|--|---|--|--|
| Oct. 27 | Fort Providence.<br>Albert and Caroline Bonnetrouge  | To discuss Traditional Knowledge from the Cameron Hills area and explain what Paramount is planning to do on top of the plateau.                  | Discussed who used to live around the Tathlina Lake area and where Albert and Caroline used to travel to trap and fish. Put some details on a map to be included in Paramount's TK study.  | None Required                                  |
| Oct. 29 | Ft. Providence Chief Sam Gargon and the Resource Management Board Joachim Bonnetrouge, Mike Vandell, Ted Landry, Michel Landry, Pricilla Canadian, | To explain and present Paramount's latest update on our proposed project in the Cameron Hills and Gather Traditional Knowledge information        | Fully explained what Paramount is proposing to do in the Cameron Hills this winter and the employment opportunities. Received permission to look at the Traditional Knowledge information that is held by the Resource Management Board making sure to note that the information is not complete. Met with councilor, Mike Vandell after meeting to review maps in his office. | None Required                                  |
| Oct.31  | Kakisa Margaret Leishman   | To discuss traditional knowledge issues   | Discussed minor changes to the traditional knowledge report made by Ken Brink subsequent to the Tathlina Lake trip with Kakisa elders in August  | None required                                  |
| Oct.31  | West Point First Nation Chief Karen Thomas, Joe Cayen, William Michell, John Cayen, James Cayen and Jim Thomas (Elders)                            | To discuss the proposed plans from Paramount's activities in the Cameron Hills and to gather traditional knowledge from these elders              | Paramount's activities where fully explained and all questions where answered. Traditional Knowledge issues were discussed and much was recorded on a map of the Cameron Hills area  | None required                                  |
| Nov.1   | Kakisa Band Manager Ruby Landry  | To discuss what services or companies Kakisa would like to see employed by Paramount this winter  | Discussed issues going on with the band that are limiting to getting everything done efficiently. Discussed what companies the band is affiliated with to do work  | None required                                  |
| Nov.2   | Kakisa Mervin Simba trapper  | To discuss his trapline in the Cameron Hills and plot on a map where he travels and to gain TK information from him                               | Discussed Paramount's proposed project and its opportunities. Discussed and plotted Mervin's trapline on a map. Discussed where he travels and other TK information  | None required                                  |
| Nov.4   | Hay River Dene Band Chief Pat Martel   | Discuss how the four communities are working together and the urgency in getting Hay River Band's services list to Paramount for bidding purposes | Discussed how the four communities, West Point, Hay River, Kakisa and Ft. Providence Bands are working together. Also discussed the urgency to get the list of the services offered by the Hay River Band as soon as possible as Paramount needs to get their bidding information ready and does not want to leave people out.   | Get services list from the Hay River Dene Band |



| Date    | People Contacted  | Purpose  | Issues Discussed  | Mitigation  |
|---------|---|--|---|---|
| Nov. 6  | Kakisa<br>Ruby Landry (Band<br>Manager)<br>E-mailed Chief Lloyd<br>Chicot   | To make sure band<br>has updated<br>Contractor Profile<br>forms to qualify any<br>company services on<br>Paramount's bid lists<br>for work in the<br>Cameron Hills   | Discussed with Ruby the urgency of<br>getting any companies on side and made<br>aware of the Contractor Profile<br>Questionnaire to qualify working on<br>Paramount's Cameron Hills Projects  | None required   |
| Nov. 6  | Hay River Dene Band<br>Economic<br>development people<br>Cynthia James and Al<br>Mailo  | To make sure band<br>has updated<br>Contractor Profile<br>forms to qualify any<br>company services on<br>Paramount's bid lists<br>for work in the<br>Cameron Hills   | Discussed with Cynthia James and Al<br>Mailo the urgency of getting any<br>companies on side and made aware of<br>the Contractor Profile Questionnaire to<br>qualify working on Paramount's Cameron<br>Hills Projects.<br>Picked up additional contractor<br>information at the band office and a<br>service list of the companies that the<br>band owns and companies that the band<br>is affiliated with.   | None required.  |
| Nov. 6  | West Point First<br>Nation<br>Band Office<br>Administrator, Becky<br>and e-mailed Chief<br>Karen Thomas   | To make sure band<br>has updated<br>Contractor Profile<br>forms to qualify any<br>company services on<br>Paramount's bid lists<br>for work in the<br>Cameron Hills   | Discussed with Becky to pass on<br>message to Chief Karen Thomas as well<br>as e-mailed Chief Thomas. The urgency<br>of getting any companies on side and<br>made aware of the Contractor Profile<br>Questionnaire to qualify working on<br>Paramount's Cameron Hills Projects. I<br>also told them that I would call their<br>preferred contractor to inform them of the<br>qualification process. I did this as well.   | None Required   |
| Nov. 6  | Fort Providence Dene<br>Band. E-mailed Doug<br>Bryshun, economic<br>development person<br>for band. Talked to<br>and e-mailed the<br>Resource<br>Development Board.<br>Pricilla Canadian, and<br>e-mailed Mike<br>Vandell. Mike is band<br>councilor as well. | To make sure band<br>has updated<br>Contractor Profile<br>forms to qualify any<br>company services on<br>Paramount's bid lists<br>for work in the<br>Cameron Hills   | Discussed with Pricilla Canadian the<br>urgency of getting any companies on<br>side and made aware of the Contractor<br>Profile Questionnaire to qualify working<br>on Paramount's Cameron Hills Projects.<br>Pricilla and Mike Vandell were also e-<br>mailed. Pricilla also faxed me Traditional<br>Knowledge notes that were taken from a<br>meeting with Albert and Caroline<br>Bonnetrouge on Oct. 27 <sup>th</sup> at their camp in<br>Fort Providence.   | None required   |
| Nov. 26 | Kakisa<br>Julian Landry, (Oil and<br>Gas Director for<br>Kakisa band)   | To confirm and<br>attend meeting<br>scheduled for today,<br>tomorrow and<br>Wednesday with the<br>Kakisa band<br>members to review a<br>simplified version of<br>Paramount's<br>Environmental<br>Assessment for the<br>Cameron Hills<br>projects | Julian Landry said the meeting could not<br>take place as they had other meetings<br>and a couple of council members were<br>out of the community.<br>Julian was told that Ken Brink had a<br>simplified copy of the Environmental<br>Assessment for Paramount's Cameron<br>Hills project, a letter for him from<br>Paramount's Calgary office, a letter from<br>Golder and Associates outlining the<br>direction of flow of the Cameron River<br>and a draft copy of the Traditional<br>Knowledge study prepared for review. | Call Julian Landry on<br>Wednesday Nov. 28 <sup>th</sup> ,<br>2001. |

| Date    | People Contacted  | Purpose  | Issues Discussed   | Mitigation    |
|---------|---|--|--|---------------|
| Nov. 26 | Hay River Dene Band<br>Chief Pat Martel   | To give a draft copy of the Traditional Knowledge study to the chief and discuss current events in general.  | Discussed that Paramount would welcome any comments on the Traditional Knowledge study that was given to Chief Martel. Also discussed how the other bands are trying to work together.   | None required |
| Nov. 27 | Fort Providence Dene Band Councilor and chair of Resource Management Board, Joachim Bonnetrouge     | To give Joachim a copy of the Traditional Knowledge study that was prepared for review and comments.   | Reviewed the Traditional Knowledge study and the attached Map. Joachim said he was impressed and looked forward to reviewing the study in more detail over the next few days   | None required |
| Nov. 29 | West Point First Nation.<br>Chief Karen Thomas  | To deliver a copy of the Traditional Knowledge study that had been prepared for review and comments  | Briefly discussed the Traditional Knowledge study and told Chief Thomas that I would get back to her to see if she had any further comments on the study and to feel free to write in the one I provided as I can get her another copy.  | None required |
| Nov. 29 | Kakisa Band<br>Chief Lloyd Chicot   | To provide a copy of the Traditional Knowledge study, a letter for Julian Landry, a letter from Golder and Associates outlining the flow of the Cameron River and a simplified version of Paramount's Environmental Assessment | Gave Chief Chicot copies of the items mentioned and told him that Paramount welcomes any comments on the Traditional Knowledge study. I also discussed with Chief Chicot that the simplified copy of Paramount's Environmental Assessment was intended, as discussed previously, to be presented at a meeting and not to be just read. If presented by Ken Brink, the reasons for why certain mitigative measures were made in project scope could be given. Chief Chicot was also informed that it was hoped that the simplified Environmental Report could still be presented instead of just being reviewed by their lawyers in absence of the reasoning behind certain mitigative measures | None required |
| Dec 12  | West Point Chief Karen Thomas.<br>Kakisa Chief Lloyd Chicot.<br>Fort Providence Chief Sam Gargon    | Notified chiefs that Paramount will be suspending it's Cameron Hills operations until they have some certainty in getting their regulatory approvals   | Discussed that Paramount needs more certainty before spending more money on the Cameron Hills project.   | None required |
| Dec. 18 | Tri Council Meeting in Ft. Providence.<br>Chief Sam Gargon<br>MLA Mike McLeod<br>Albert Laferty and | To gather input from the community with regard to our Traditional  | Discussed where Paramount is with its application process and the Traditional Knowledge report.  | None required |

| Date        | People Contacted   | Purpose  | Issues Discussed   | Mitigation    |
|-------------|--|--|--|---------------|
| Dec. 18     | councilors<br>Chief Lloyd Chicot   | Knowledge report.<br>To gather input on what comments the community has on our TK report.  | Chief Lloyd Chicot said the draft TK report is being passed around to community members. Chief Chicot also said the band office is closed until Jan 2 <sup>nd</sup> or 3 <sup>rd</sup> .   | None required |
| Dec. 19     | Dennis Strang<br>(Cameron Hills trapper)   | To get his input regarding the draft TK study for the Hay River Community  | Dennis Strang reviewed the TK study and stated that it was right on and his trapping routs were accurate.  | None required |
| <b>2002</b> |  |  |  |               |
| Jan. 14     | Chief Karen Thomas<br>West Point First Nation  | To discuss accuracy of TK study and to set up a workshop to discuss a proposed Wildlife Harvesting Compensation Protocol                       | Discussed the Traditional Knowledge Study that Chief Thomas has had to review since last month. We also discussed that the last week in January should be a good time for a workshop to exchange ideas on developing a Wildlife Harvesting Protocol  | None required |
| Jan. 15     | Ft. Providence<br>Chief Sam Gargon,<br>Deh Gah Gotie First Nations Executive Director-Norman McCallum, Doug Bryshun, and Albert Laferty, | To discuss the possibility of having a workshop in the last week of January to gather information to establish a Wildlife Harvesting Protocol. | The members present at this meeting were very supportive of having a workshop to develop a Wildlife Harvesting Protocol on January 29 <sup>th</sup> or 30 <sup>th</sup> .<br>We also discussed the Traditional Knowledge Study and Chief Sam Gargon said he did not dispute any of the information. Albert Laferty had not read the study at this time but wished to see it.<br>Employment opportunities were discussed as well if Paramount proceeds with it's projects this year | None required |
| Jan 16      | Hay River Reserve Band Council with<br>Chief Pat Martel  | To arrange a workshop to get started developing a Wildlife Harvesting Protocol.  | It was agreed that we could have a workshop to design a Wildlife Harvesting Protocol at the Hay River Reserve Band Office, large boardroom on January 29 <sup>th</sup> and 30 <sup>th</sup> .<br>Traditional knowledge was also discussed. We agreed to talk later about how to work together so Paramount could acquire new information in the future   | None Required |
| Jan. 17     | Chief and Council at<br>Ft. Providence   | To give an update to the Band on Paramount's operations and to see if a Wildlife Harvesting Protocol Workshop is OK to have in Hay River       | Council and Chief were informed of the work that should be coming up and they thought it was a good idea to get started on the Wildlife Harvesting Protocol and agreed with Jan. 30 <sup>th</sup> and 31 <sup>st</sup> as good dates for a meeting. Chief Sam Gargon said it would be good to keep Joachim Bonnetrouge informed on the issues, as he would be a good   | None required |

| Date    | People Contacted   | Purpose  | Issues Discussed  | Mitigation                                       |
|---------|--|--|---|--|
|         |  | on Jan. 30 and 31 <sup>st</sup> .  | person to participate.  |  |
| Jan. 21 | Hay River Reserve<br>Shirley Lamalice,<br>Band Administrator | To set up notices for a Workshop to discuss forming a Wildlife Harvesting Protocol with the local bands for Jan. 30 <sup>th</sup> and 31 <sup>st</sup> | Discussing what should be on the Workshop notices and who are the best people to come to workshop. I suggested as many leaders as possible for the first meeting and then get as many trappers for later meetings once we establish a framework for the protocol with the communities.  | None required                                    |
| Jan. 24 | Julian Landry<br>Kakisa                                      | To talk about meeting planned for Jan. 29 <sup>th</sup> in Kakisa to Discuss the Wildlife Harvesting protocol  | Julian asked for confirmation in writing that Paramount would be attending the meeting at Kakisa on January 29 <sup>th</sup> . I confirmed that Shirley Maaskant and myself (Ken Brink) would attend on Jan. 29 <sup>th</sup> at 2:00 PM.   | None Required                                    |
| Jan. 29 | Kakisa<br>Chief, council and<br>elder council,               | To discuss the proposed Wildlife Harvesting Protocol   | Kakisa community members, Kakisa's solicitor and consultant Mel Benson, Minister Antoine and staff, MVEIRB Joe Acorn, DIAND, and a video crew also attended the meeting. Kakisa seemed to feel the commitment by Paramount to form a Wildlife Harvesting Protocol opened the door to negotiate issues covered in the Benefit Plan, the community investment plan and issues dealt with in the regulatory process. We discussed all issues that Kakisa wished with the exception of legal issues as Paramount was not represented by council. We advised that we could not speak on traditional claim issues. We also informed Kakisa that Paramount would continue consult with all effected communities and not just them. | Re addressing legal issues with Kakisa's lawyers |
| Jan. 29 | Fort Providence<br>Band<br>Chief Sam Gargon                  | Wildlife Harvesting Protocol Workshop planned in Hay River for tomorrow and Jan. 31 <sup>st</sup> .  | Chief Sam Gargon wished to cancel the proposed workshop in Hay River and thought that it may work to let Kakisa take a lead role in the discussions for the Wildlife Harvesting Protocol only   | None required                                    |
| Jan. 30 | Hay River Trapper<br>Roy Buggins                             | To give notice to Roy about Paramount's proposed activity and to see if there were any concerns with his trapline                                      | Explained what Paramount was proposing for activity in the area. Roy said he had no traps in the area and only asked that if it was possible we could help in getting a road plowed to his proposed cabin site in the Cameron Hills   | None required.                                   |
| Jan. 30 | Hay River Reserve  | To discuss Wildlife  | Ken Brink explained the Wildlife  | None required                                    |

| Date    | People Contacted                               | Purpose   | Issues Discussed  | Mitigation    |
|---------|--|---|---|---------------|
|         | Chief Pat Martel                               | Harvesting Protocol.  | Harvesting commitment by Paramount was a separate issue than what some of his member's thought that Paramount wanted to discuss. The Protocol was getting mixed up with trying to gather more traditional knowledge.  |               |
| Jan. 30 | Hay River Reserve, band office worker Sandra   | She phoned to give me a message from Cynthia James, economic development officer.   | Sandra told me (Ken Brink) that she was instructed to tell from the band that any further contact with the Hay River Band was to be done through Cynthia James and this included setting up any meetings with the band council.   | None required |
| Jan. 31 | Kakisa Chief Lloyd Chicot                      | To give a notice to Mervin Simba (trapper) that Paramount would be starting its operations in the Cameron Hills in the near future. | Chief Lloyd Chicot said he would make sure that Mervin Simba received the letter of notice.   | None required |
| Jan. 31 | Hay River Reserve Trapper, Roy Buggins         | Give Roy a notice in writing that Paramount plans to start up its operations in the Cameron Hills                                   | Ken Brink met with Roy and discussed what Paramount is planning to do in the Cameron Hills this winter. Roy said there is no problem with him because he has no traps in the area but he would appreciate any assistance in getting a road plowed to his cabin site in the Cameron Hills. I told him that we should be plowing right by his chosen site and that I will get back to him when I know the road is open. | None required |
| Jan 31  | Roger Akinneah, Registered Trapper (Line 2816) | To continue open communication with Trapper issues  | Joanne contacted Roger, who is affected by the portion of Cameron Hills line from 5-24-126-22 W5M and North. Spoke to nephew, George, as Roger will be in and out through out the day, briefly explained the issue and asked that Roger return the call   |               |
| Feb. 1  | Hay River trapper Dennis Strang                | To give Dennis Written notice that Paramount intends to start working on its project in the Cameron Hills                           | Told Dennis about Paramount's proposed operations in the Cameron Hills. Dennis said that he was not going to be trapping in that area this winter and there were no problems or conflicts with him.   | None required |
| Feb. 7  | Hay River Band Office worker, Sandra           | To confirm that the chief, council and Cynthia James had received a fax sent on Feb. 5 <sup>th</sup> from Paramount                 | Sandra confirmed that the chief, council and Cynthia had received the fax requesting a meeting but had no answer if they wanted to meet yet.  | None required |

| Date    | People Contacted   | Purpose   | Issues Discussed   | Mitigation  |
|---------|--|---|--|---|
|         |  | Requesting a meeting with them to discuss pipeline services opportunities                   |  |   |
| Feb. 13 | Kakisa<br>Finance<br>Administrator<br>Anita Chicot                                 | To discuss invoicing for services on Paramount project                                      | Talked with Anita at the band office and it was agreed that the Heritage and Environmental Monitors will be invoiced through the band to be covered by WCB. Invoices sent in will include signed daily tickets or reports attached as backup for work performed  | None required   |
| Feb. 20 | Hay River band<br>Chief Pat Martel<br>and INAC<br>representative<br>Chuck Williams | To discuss how to provide best opportunities for band to get work                           | Chief Pat Martel was informed that he was told by band staff to have all communication with the band go through Cynthia James and that some employment opportunities may have been lost due to the band not responding to calls for services from Paramount's prime contractor. Chief Martel told me to either call him or Chuck Williams or that I (Ken Brink) could still set up meetings through Shirley Lamalice in the future.  | None Required   |
| Feb. 21 | Kakisa<br>Ruby Landry  | To discuss Heritage and Environmental Monitor issues  | Arranged with Ruby that signed time tickets or reports will be faxed to her so that she has proper information to do her invoicing to Paramount. Ken Brink and Ruby will keep in contact if there are any problems. Ken will talk to Monitors when out on site to see how things are going.  | None required   |
| Mar. 4  | Hay River Dene<br>Band<br>Chief Pat Martel   | To try to plan a trip for the chiefs to travel out to see the project in the Cameron Hills  | Chief Martel would like have other chief come with on the trip and we will keep trying to work out a good time to make a trip to the Cameron Hills. Chief Martel also said that a person from Paramount's pipeline company did phone him as promised regarding services.   | Community Chiefs, Chuck Williams and Ken Brink to keep trying to arrange a trip |
| Mar. 4  | Hay River Band<br>Trapper<br>Roy Buggins   | To discuss clearing snow for his new cabin by Paramount's project site in the Cameron Hills | Roy Buggins phoned and would like to go out to the Cameron Hills when I (Ken Brink) go on Wednesday to look at the site where he wants to build a cabin. He would like to have the snow cleared if we have a machine in the area because it is a lot to shovel by hand. I told him that I would pick him up at his cabin on Wednesday morning. I also told him I would talk to DIAND inspectors to see if it was OK to take a machine of the right of way to clear the snow for him. | Ken Brink to talk with DIAND inspectors for permission                          |

| Date    | People Contacted   | Purpose   | Issues Discussed  | Mitigation    |
|---------|--|---|---|---------------|
| Mar. 6  | Hay River Reserve<br>Trapper<br>Roy Buggins                                    | To help him get snow cleared on his new cabin site near Paramount's A-73 wellsite and discuss any trapping concerns he has.                 | Roy and Ken Brink met with DIAND land use inspector to make sure it was OK for Paramount to clear unused portion of seismic line for Roy to locate cabin material while the winter road was in. Land use inspector looked at location with Ken and Roy and said it would be OK to clear snow as seismic line is held under disposition to Paramount already.<br>Roy also has no traps in the project area and is pleased that we could help him out.                                  | None required |
| Mar. 8  | Ft. Providence<br>Employment Person<br>Shirley Gargon                          | To see if laborers were available to work in the Cameron Hills project and to determine why a slashing crew had quit on the seismic project | Shirley indicated that laborers are available to work and contacted Pillar Oilfield Project's person to make the arrangements. Ken Brink inquired if Fort Providence knew why the slashing crew on the seismic project had quit. Shirley felt this happened because of the hourly rate of pay they were getting from the northern subcontractor. Shirley indicated the people had been hired through her office and had been used to getting more money in the past for the same job. | None required |
| Mar. 9  | Kakisa Elder<br>Fred Simba<br>Heritage Monitor on<br>Paramount project<br>site | Project Update  | As per Fred, the people were very good on the project and doing a good job keeping things clean and talking to him about things. Fred had seen quite a few lynx but has found no sign of any old campsites or where people used to live on the project site. Fred indicated it would be good to see the site in the fall when there is less snow. Fred was happy at camp and wanted to stay until Paramount was finished with the project.  | None Required |
| Mar. 11 | Kakisa<br>Allan Landry   | To attend the project site and meet with Allan Landry   | Allan mentioned that he was displeased with the project being allowed to start up this year and wished the project had been delayed longer to allow their community to capture more employment opportunities. Ken Brink reminded Allan that he has met with him and the chief and band on many occasions to discuss job opportunities on Paramount's proposed project this winter.  |               |
| June 5  | Recreation<br>Coordinator, Al<br>Hay River Reserve                             | To arrange a workshop regarding   | Booked the main boardroom at the band office and discussed how many people may attend.  | None required |

| Date    | People Contacted                                    | Purpose  | Issues Discussed  | Mitigation    |
|---------|---|--|---|---------------|
|         |   | Paramount's project to be held on the reserve  |   |               |
| June 6  | Chief Sam Gargan<br>Ft. Providence Band             | To reconfirm meeting for June 19 <sup>th</sup> at the Hay River Reserve  | Sam had not seen the notice of meeting letter that was faxed to him yet and asked Paramount to fax another one, which was done. He was not sure of his timing due to so many other meetings but mentioned that Doug Bryshun should attend | None required |
| June 6  | Ft. Providence Band<br>Mike Vandell,<br>Councillor  | To discuss upcoming meetings on June 18 <sup>th</sup> & 19 <sup>th</sup> and issues that relate to the community                                 | Discussed the upcoming meetings and how to best get the issues out on the table. It was discussed that Paramount and the communities may have different expectations. The meeting agenda was faxed to Mike                                | None required |
| June 6  | Chief Pat Martel<br>Hay River Dene Band             | Discussed meeting on June 19 <sup>th</sup> and to confirm Pat received the notice.   | A very brief discussion to confirm the meeting  | None required |
| June 10 | Hay River Reserve<br>Shirley Lamalice<br>and Angela | To confirm the meeting scheduled on June 19 <sup>th</sup> .  | Discussed the timing and arranging for lunch to be provided and billed to Paramount. A draft agenda will be available to look at by tomorrow  | None required |
| June 11 | Hay River Dene Band.<br>Angela at main desk         | To tell Angela that another copy of the Open House Notice, June 18th and the Draft Agenda for the June 19 <sup>th</sup> Workshop had been faxed. | As per Angela, she will get everything distributed and assured there would be a flip chart available for the main boardroom at the band office for the June 19 <sup>th</sup> workshop   | None required |
| June 11 | Kakisa Band<br>Chief Lloyd Chicot                   | To inform the band about the Open House and Workshop and to gain input on the agenda   | Chief Chicot said he would pass on the information.   | None required |
| June 11 | West Point First Nation<br>Kelly, Band Secretary    | To inform the band that the information on the Open House and Workshop would be faxed  | As per Kelly, Chief Thomas is away until Monday and would receive the information then.   | None required |
| June 11 | Ft. Providence Dene Band<br>Band Secretary          | To inform the band that the information on the Open House and Workshop would be faxed  | As per the Band Secretary, Chief Sam Gargan was currently out of the office and would receive the information when he returned.   | None required |
| June 12 | Ft. Providence Dene Band                            | To ask for input into the draft  | Norm indicated that Chief Gargan and Doug Bryshun should be in Hay River  | None required |



| Date    | People Contacted   | Purpose  | Issues Discussed   | Mitigation   |
|---------|--|--|--|--|
|         | Norm, Band Manager   | agenda that was sent to the band.  | today. Paramount still waiting for input on the agenda.  |  |
| June 13 | Ft. Providence Dene Band<br>Mike Vandell,<br>Councilor                                       | To gain input for the agenda for the Workshop on June 19 <sup>th</sup> , in Hay River.   | Mike suggested some ideas that would help make the workshop more productive. Good facilitation equals a Good Meeting. Mike clearly sees that some of the issues regarding the communities' expectations need to be addressed immediately.  | None required  |
| June 14 | Ft. Providence Dene Band Chief<br>Sam Gargan   | To gain input for the agenda for the Workshop on June 19 <sup>th</sup> , in Hay River  | Chief Gargan expressed that Paramount needs to make a better efforts in allowing the communities to invest in the project before their full focus and support will be given. This investment was discussed at a Nov. 8 <sup>th</sup> , 2000 meeting in Hay River regarding Paramount's Community Investment Plan. Regarding the meeting and agenda, Chief Gargan requested we speak to Doug Bryshun. Doug Bryshun and councilor, Mike Vandell would be attending the meeting in the Chief's absence. Chief Gargan also informed Kakisa to take the lead and try to make the best deal possible with Paramount as long as it involves all of the communities. | None Required  |
| June 14 | Ft. Providence Band<br>Business person<br>Doug Bryshun                                       | To discuss input into our June 19 <sup>th</sup> workshop and agenda  | Ft. Providence and Doug Bryshun will be attending the meeting and had no additional items for the current agenda   | None Required  |
| June 18 | Representatives from the local communities;<br>RWED and DIAND                                | Public Open House to discuss previous and proposed winter projects and for the public to meet Paramount  | Reviewed the prior winters work, proposed 2002/03 activity and goods and service opportunities   | None Required  |
| June 19 | Representatives from the K'atlodeeche First Nation; West Point First Nation; Fort Providence | Workshop - reviewed the completed 2001/02-winter project, the northern services utilized and the potential projects & northern services for the 2002/03 season | Representatives from the communities expressed their feelings on the northern services being utilized during these projects. Paramount suggested ideas on how northern services could be utilized. Paramount discussed the Community Investment Plan, Wildlife Harvesting Plan and the Aurora Research Permit. The communities requested time to review and will respond at a later date.  | Paramount to provide a list of primary qualified suppliers and contractors to the communities. The Communities to meet before the end of July to discuss the Community Investment Plan and a go-forward plan on business and employment. |
| July 23 | Allan Landry,<br>Mandell Pinder,<br>Alan Hollingworth  | To discuss Ka'a'gee Tu First Nation  | Viewed video on traditional land use by the community. Discussed business and community investment   | Ka'a'gee Tu Frist Nation to submit a of letter of expectations followed  |

| Date   | People Contacted                                      | Purpose   | Issues Discussed  | Mitigation                         |
|--------|---|---|---|------------------------------------|
|        |   | expectations of Paramount                                   | opportunities between Paramount and the Ka'a'gee Tu First Nation  | by a proposed meeting Sept 6, 2002 |
| Sept 6 | Allan Landry,<br>Mandell Pinder,<br>Alan Hollingworth | To discuss the expectations of the Ka'a'gee Tu First Nation | Discuss the letter of expectations from the Ka'a'gee Tu in detail | None Required                      |

