EA01-005

Paramount resources ltd.

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July 31, 2002

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

Attention: Janpeter Lennie-Misgeld, Regulatory Officer

Dear Peter:

RE: Land Use Permit MV2000P0055 and Water Licence MV2000L1-0014 ("Permits")
Modified Well Locations for the Cameron Hills Facility Project
Paramount Files SL004471 and SL004470

Paramount Resources Ltd. ("Paramount") was granted the subject Permits on January 18, 2002. These Permits include, in part, construction and operation of gathering lines, fuel lines, power lines and production facilities for twenty-one wells.

During February and March 2002 Paramount constructed gathering pipelines and production facilities for six of these wells. Three new wells were also drilled and after assessing the results of these new wells, revisions were required to 6 of the remaining 15 well locations referenced in the Permits. This amendment request corresponds to our earlier amendment request on the drilling permit to revise the same six well locations. Also included in this amendment request is the revision of the location of the water disposal well to a location closer to the H-03 Central Battery. It should be noted that there is a reduction of 3200 m of linear disturbance as a result of this particular amendment.

In support of this amendment request we have attached the report, Amendment to the Environmental Impact Assessment for the Cameron Hills Gathering System and Facilities Project, which includes a summary of the consultation undertaken.

Should you have any questions regarding this request, please contact either Shirley Maaskant at (403) 290-3618 or Tom Hong at (403) 290-3696.

Yours truly,
PARAMOUNT RESOURCES LTD.

S Maaskant

Shirley Maaskant
Regulatory and Community Affairs Coordinator

Encl: 5 paper copies and 1 CD of Amendment to the Environmental Impact Assessment for the Cameron Hills Gathering System and Facilities Project