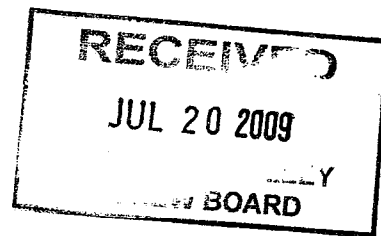




Ottawa, Canada K1A 0H4

JUL 13 2009

Mr. Richard Edjericon
Chair
Mackenzie Valley Environmental Impact Review Board
PO Box 938
YELLOWKNIFE NT X1A 2N7



**SUBJECT: Reasons for Decision and Report of Environmental Assessment on
the Paramount 2D Geophysical Program (EA0506-007)**

Dear Mr. Edjericon:

As the Federal Minister, pursuant to the *Mackenzie Valley Resource Management Act* (Act), and on behalf of the other Responsible Ministers with jurisdiction related to the above-noted development (the Government of the Northwest Territories' Department of the Environment and Natural Resources, and Environment Canada), I am writing to convey our decision on the *Report of Environmental Assessment and Reasons for Decision* on Paramount Resources Ltd.'s Significant Discovery Licence 8 2D Geophysical Program (EA0506-007), dated November 14, 2006.

This decision was undertaken after reviewing and considering:

- the above-noted *Report of Environmental Assessment and Reasons for Decision*;
- whether the proposed development might adversely affect established or potential Aboriginal and treaty rights, and
- pursuant to section 131.2 of the Act, the importance of the conservation of the lands, waters and wildlife of the Mackenzie Valley on which the development might have an impact.

Pursuant to sub-paragraph 130(1)(b)(i) of the Act, the Responsible Ministers have decided to adopt the Review Board's recommendation to approve the subject development, as modified by the developer's commitments, and subject to the recommended mitigation measures.

The Responsible Ministers have noted the Review Board's non-binding suggestions in the Report of Environmental Assessment and will consider these suggestions as appropriate.

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I wish to thank the Mackenzie Valley Environmental Impact Review Board for discharging its duties under the *Mackenzie Valley Resource Management Act* in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Chuck Strahl". The signature is written in a cursive style with a large initial "C" and a prominent flourish at the end.

Chuck Strahl

c.c.: The Honourable Jim Prentice, PC, QC, MP
The Honourable Michael Miltenberger, MLA
Dr. Bharat Dixit
Mr. Willard Hagen