

July 29, 2005

Paramount Energy Operating Corp.

500, 630 – 4th Avenue SW
Calgary, Alberta T2P 0J9

Attention: Mr. Brett Norris

**RE: GENERAL BULLETIN 2003-28 (GB 2003-28)
BITUMEN CONSERVATION REQUIREMENTS
ATHABASCA WABISKAW-MCMURRAY
PHASE 3 FINAL PROCEEDING
PROCEEDING NO. 1347905
LETTER DATED JULY 25, 2005**

Board Staff has reviewed Paramount Energy Trust's (PET) material provided on July 25, 2005, responding to the questions asked in the hearing on July 12th, and has advised me that the following undertaking responses are not complete.

1. Undertaking Page 1551

The question from Board staff was to explain the discrepancy in pressures between figure 28 and figure 30 of the material.

The response states, "These well indicies were reduced (100 vs. 1000) as seen in the attached dataset". The referenced dataset does not, however, appear to be included in the materials provided by PET. Could PET please provide the dataset or indicate where the dataset appears in the material that was provided.

2. Undertaking Page 1565

The question from Board staff was to provide plots for each of the well models showing the gas well block pressures as a function of time over the life of the runs for each model they were run at, with gas cap pressures of 200, 600 and 1200, showing the results for each of those cases on the same plot.

The response provided does not appear to include any gas well block pressure plots for the well 12-28-81-10W4M. Could you please provide that or indicate where it is included in the material that was provided.

3. Undertaking Page 1568

The question from Board staff was to advise with respect to the 6-27 case, where the vertical position of the wells were actually moved up one layer, why it wouldn't have moved down when PET went to a uniform bitumen description.

The response provided confirms that in the 6-27 case the vertical position of the wells were moved up one layer, but PET did not offer an explanation as to why it did not move the vertical position of the wells down when it went to a uniform bitumen description. Please provide that explanation or indicate where it is included in the material that was provided.

Board staff would appreciate PET completing its responses to these undertakings in advance of the hearing resuming. Board staff intends to question the PET witnesses on the responses.

Yours truly,

Original signed by

Gary D. Perkins
Board Counsel

cc: L.M. Sali, Q.C.
Hearing participants and other counsel