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www.paramountenergy.com

January 12, 2004

Mr. Neil McCrank
Chairman
Alberta Energy and Utilities Board
640 – 5th Avenue S.W.
Calgary, Alberta T2P 3G4

Dear Mr. McCrank:

Re: General Bulletin 2003 – 28, Regional Geological Study

The preparation of the Regional Geological Study (“RGS”) was a substantial undertaking, extending over a number of months and covering many thousands of hectares of land. The EUB contends that the study is but a first step in the process of determining which gas may adversely impact the potential production of bitumen. Given the level of analysis portrayed by the RGS, Paramount Energy Trust (“PET”) reiterates our concern that adequate evaluation of the gas pools in the area of concern by the EUB is simply not possible prior to January 26, 2004.

As you can appreciate, for a public entity such as PET it is very important that the Board staff has undergone thorough technical review, considering all of the information available to them, prior to making any specific decisions on the status of given wells. In fact, I’m sure you’d agree that this is at the very least the professional duty of Board staff. Their recommendations, whatever they may be, must be thoroughly researched and considered so that all stakeholders receive the benefit of well considered recommendations.

I am writing to advise you of some specific technical concerns that Paramount Energy Trust has thus far identified with the RGS released on January 2, 2004. The objective of the RGS was to "identify which gas pools are in pressure communication with stratigraphic units that have the potential to contain bitumen exceeding 10 metres" (page 1). In order to meet this objective, the study examined "pressure and production data from 83 gas pools" (page 77), which represents only 10.6% of the 777 gas pools they have made a determination on. The results of this study rely heavily upon geological correlation techniques to infer pool connectivity, without ever proving such connection. Notably absent from the RGS was the integration of detailed engineering analysis that is critical to determine pool connectivity.

Upon reviewing this pressure and production data, the study notes that "the quality and quantity of historical pressure data is limited, and therefore gas pooling was primarily based on geological interpretation" (page iii). With the extensive Pressure Survey Program initiated by the EUB in

GB 2003-28, there are hundreds of wells in the study area with new pressure data which the RGS has not considered. Approximately fifty percent of this data was collected and submitted to the EUB prior to December 31, 2003, while the remaining fifty percent is due prior to March 1, 2004.

The RGS pooled gas together if (page 75):

- 1) gas is present in same stratigraphic interval;
- 2) gas/water contact is within 1 metre, (although often the base of the gas pay is defined by a mudstone layer which eliminates the usefulness of these contacts); and
- 3) wells are located in adjacent sections.

We believe that Dr. Wardlaw identified this issue as a potential pitfall of pool definition and stated that he did not believe that the 'question of pressure communication amongst lithologic units or between gas and bitumen zones can be answered definitely by stratigraphic analysis and mapping alone'. (page 167). We agree it is critical that further pressure information be factored in to individual well and gas pool evaluations prior to the release of any well status re-determinations.

As such, it is Paramount Energy Trust's intent to provide additional information to assist Board staff in making their future recommendations. We understand this information will be posted on the EUB website for public dissemination. We believe it is the duty of EUB staff to review this information and consider it in the context of its well status re-determinations.

On December 15, 2003, PET submitted technical information to the EUB, which may be worth reviewing in order to better understand the following. Appendix 1 (attached) is a summary of variations from the RGS which results by incorporating these data into the RGS interpretation. Specifically, data in this appendix illustrates, once integrated, that of 16 PET wells currently listed as associated by the RGS, 8 in fact are non-associated and another 7 wells have at least one zone which is nonassociated, where an isolation workover such as a bridge plug could allow non-associated production to continue.

A brief summary of the data that PET previously submitted to the EUB and the conclusions that follow are worth contrasting with the conclusions reached by the RGS.

1. The conclusions reached in the RGS regarding lateral connectivity of sands are incorrect. For example, the Corner McMurray A Pool, which now contains 13 wells by the January 2004 EUB G Orders has been shown to comprise at least 5 separate pools (data from PET supporting this is currently on the EUB website, additional data is in Appendix 2). PET strongly encourages the Staff Submission Group to incorporate this information into their recommendations for wells in the Corner area.
2. Data from the EUB-defined Hangingstone McMurray G Pool highlighted the difference in virgin pressures on these wells. This information was also highlighted in the RGS study, although discounted. It is PET's assertion that a difference of greater than 100 kPa in virgin pressure is a clear indication of pool separation. This conclusion is further supported by recent pressure information gathered in December 2003 (Appendix 3).

3. The RGS determined vertical connectivity by the absence or presence of certain shale markers recognized by the EUB. However, pressure data (e.g. Leismer Wabiskaw- McMurray C Pool) shows that other shale markers, mapped by PET but not identified in the RGS, provide a vertical seal with a pressure differential of 724.9 kPa in some cases. Additional information which further supports this seal is available in Appendix 4.

Clearly, the RGS conclusions are preliminary, and incomplete. PET herein requests the opportunity to make a technical presentation regarding the above information and at the very least looks forward to further discussion regarding the above comments. Please contact myself at 269-4442 or alternatively Brett Norris or Kevin Marjoram can be reached at 269-4419 and 269-4422 respectively.

Yours truly,

PARAMOUNT ENERGY OPERATING CORP.

“Signed”

Susan Riddell Rose
President & COO

pc: The Honorable Murray Smith, M.L.A., Minister of Energy

Appendix 1 Proposed Pooling Changes Corner McMurray A

Wells	EUB POOLING ORDERS		Paramount Pooling		Change in Status Associated or Non Associated with Bitumen Zone
	Jan 1, 2004 Pooling	Dec 1, 2003 Pooling	Utilizing Pressure data	Utilizing Pressure Geology & Seismic	
05-31-80-09 W4	Corner Mcm A	Corner Mcm A	Pool 1	Pool 1	Non
06-01-81-10 W4	Corner Mcm A	Corner Mcm A	Pool 1	Pool 1	Non
10-36-80-10 W4	Corner Mcm A	Corner Mcm A	Pool 1	Pool 1	Non
12-32-80-09 W4	Corner Mcm A	Corner Mcm A	Pool 2	Pool 2	Non
09-05-81-09 W4	Corner Mcm A	Corner Mcm A	Pool 3	Pool 3 + 6	Non
12-09-81-09 W4	Corner Mcm A	Corner Mcm A	Pool 3	Pool 3	Non
14-04-81-09 W4	Corner Mcm A	Corner Mcm A	Pool 3	Pool 3	
15-08-81-09 W4	Corner Mcm A	Corner Mcm A	Pool 3	Pool 3	
12-16-81-09 W4	Corner Mcm A	Corner Mcm A,O + EE	Pool 4	Pool 4 + Pool 7	Non (Bridge Plug req'd)
10-11-81-10 W4	Corner Mcm A	Corner Mcm OOO	Pool 5	Pool 1A + 5	Non (Bridge Plug req'd)
12-13-81-10 W4	Corner Mcm A	Corner Mcm KK	Pool 5	Pool 1A + 5	Non (Bridge Plug req'd)
03-12-81-10 W4	Corner Mcm A	Corner Mcm MMM	Pool 5	Pool 1A + 5	Non (Bridge Plug req'd)
06-07-81-09 W4	Corner Mcm A	Corner Mcm MMM	Pool 5	Pool 1A + 5	Non (Bridge Plug req'd)

Appendix 1 Proposed Pooling Changes

Hangingsstone G Pool

Wells	EUB POOLING ORDERS		Paramount Pooling		
	Jan 1, 2004 Pooling	Dec 1, 2003 Pooling	Utilizing Pressure and geology		
7-22-81-10 W4	Hangingsstone Mcm G	Hangingsstone Mcm G	Pool 1		Non
9-21-81-10 W4	Hangingsstone Mcm G	Hangingsstone Mcm G	Pool 2		Appendix 2

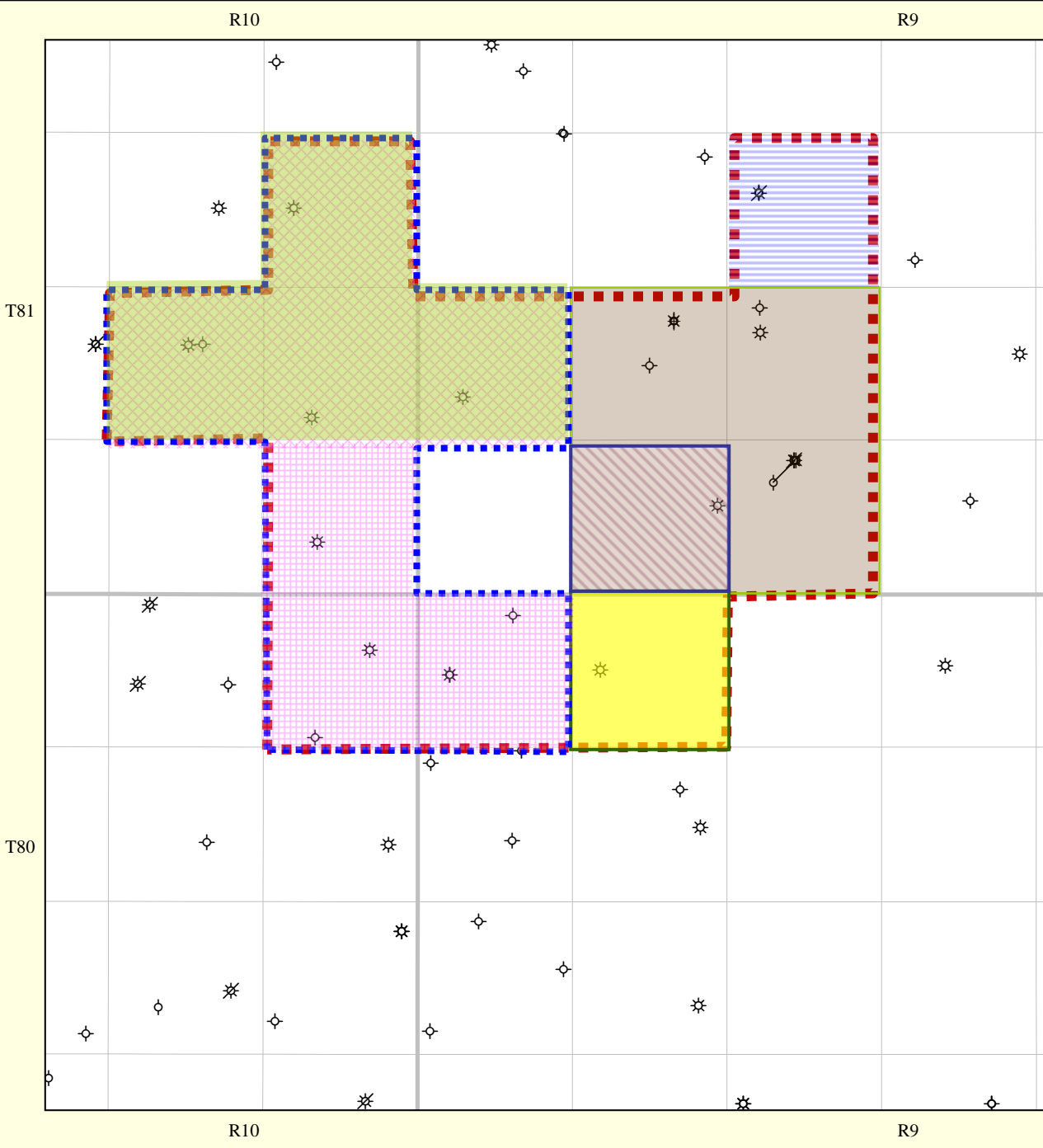
By virtue of the initial pressure difference, and the 9-21 gas sitting on water on bitumen vs the 7-22 gas with mud between it and bitumen - the 9-21 becomes associated and the 7-22 non associated










Corner McMurray N submission data (now Leismer Wabisca-McMurray C)

Wells	EUB POOLING ORDERS		Paramount Pooling		
	Jan 1, 2004 Pooling	Dec 1, 2003 Pooling	Pool	zones	
06-35-79-10W4	Leismer Wab-Mcm C	Corner Mcm N	Pool 1	A1 only	Non
15-26-79-10W4	Leismer Wab-Mcm C	Corner Mcm N	Pools 1&2	A1 + A2	Non (Bridge Plug req'd)
12-25-79-10W4	Leismer Wab-Mcm C + N4N	Corner Mcm N,FF	Pools 1&2	A1 + A2	Non (Bridge Plug req'd)




By virtue of the pressure separation, the A1 becomes non associated, and the A2 becomes associated

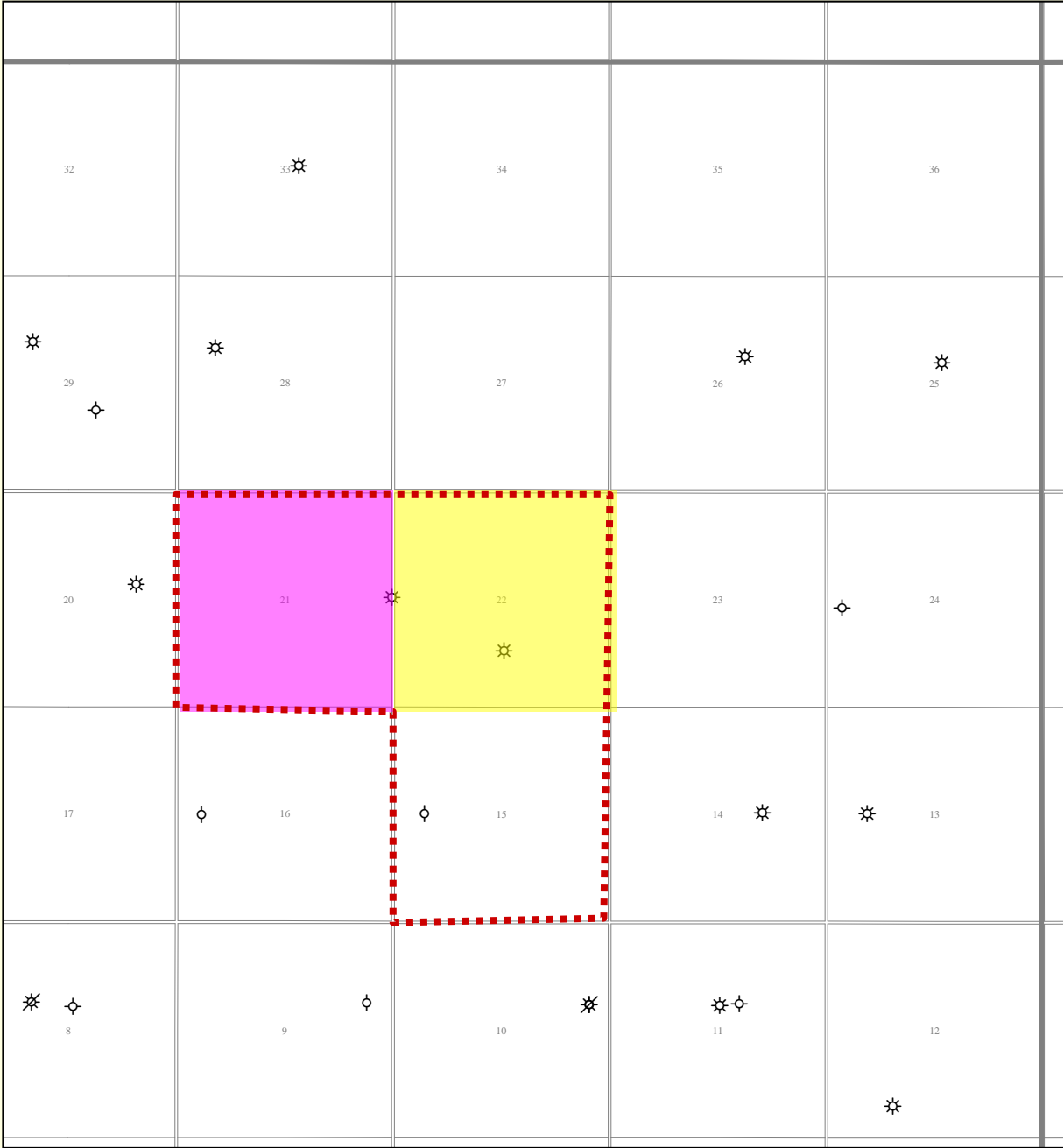
Corner McMurray A




-  Pool 1 = A1 Gas
-  Pool 1A = A1 Gas
-  Pool 2 = A1 Gas
-  Pool 3 = A1 Gas
-  Pool 4 = A1 Gas
-  Pool 5 = Channel
-  Pool 6 = Channel
-  Pool 7 = Channel
-  Corner Mcmr A Pool Order #254 328001


Hangingsone McMurray G


-  Pool 1 = B Gas
-  Pool 2 = B Gas
-  Corner Mcmr A Pool Order #444 328007

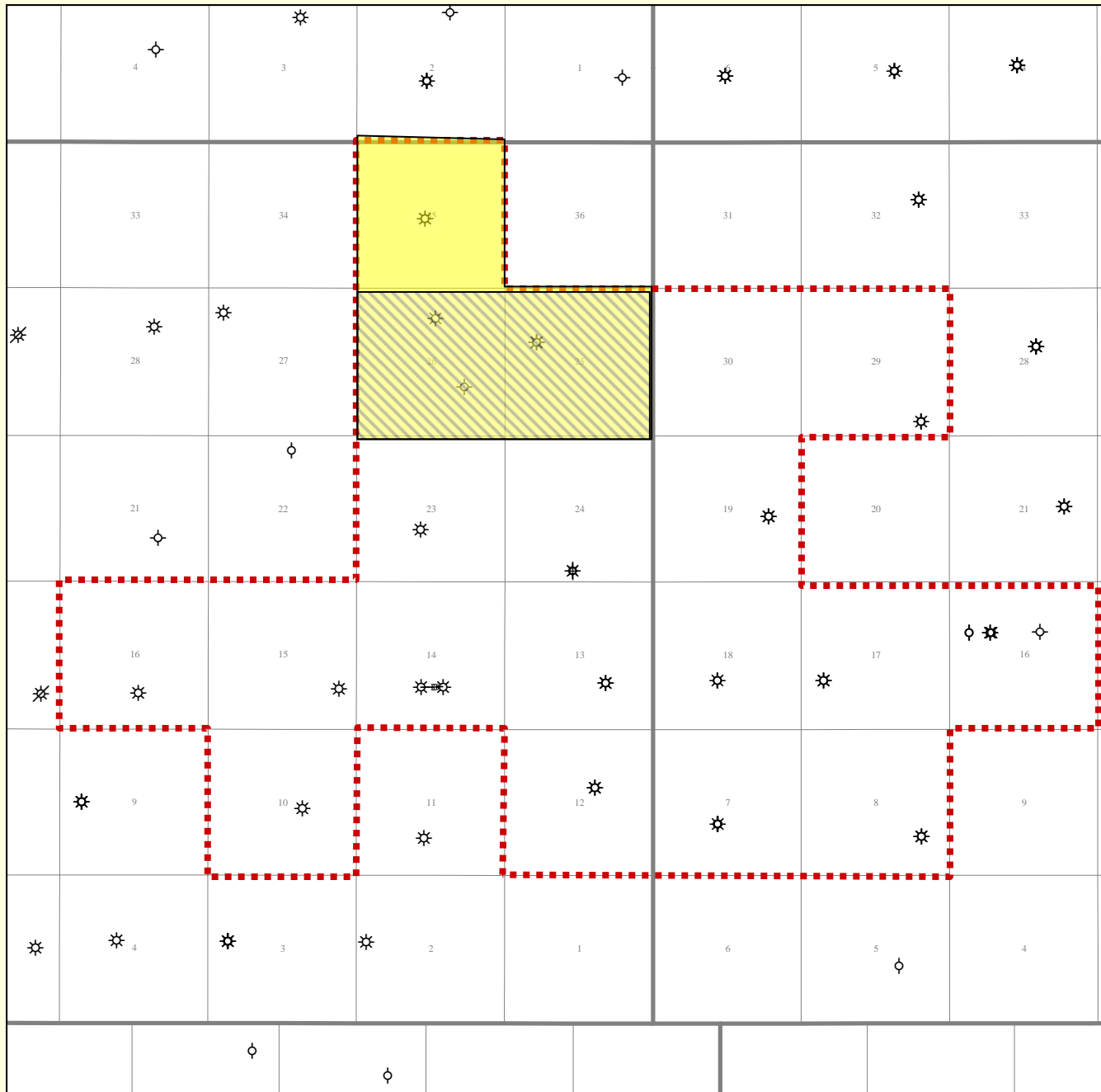


Leismer Wabiskaw-McMurray C

 Pool 1 = A1 Gas

 Pool 2 = A2 Gas

 Leismer
Wabiskaw-Mcmurray
Pool Order #559 306203



To Rob Henderson @ Fekete.

266-5938

PARAMOUNT RESOURCES LTD.
FAX SHEET

From Harvey
@ Paramount
290-3625

CORNER
Fax No. 559-2089

Date: Nov. 2/96

From: Rob

Number of pages including cover sheet 1

Attention to: MARY-ELLEN HARVEY (ELSM)

Message:

REQUESTED SHUT IN'S

NOT
TIED
IN.

	<u>JUNE 3/96</u>	<u>NOV. 1/96</u>	<u>Sept 25/97</u>
<u>✓ 12-16-81-9</u>	<u>258.6 PSI</u>	<u>255.3 PSI</u>	
<u>10-28-81-9 ✓</u>	<u>260.0 PSI</u>	<u>258.6 PSI</u>	<u>253 PSI/9.</u>
<u>10-26-81-10</u>	<u>273.5 PSI</u>	<u>275.3 PSI</u>	
<u>✓ 10-33-81-10</u>	<u>260.0 PSI</u>	<u>244.6 PSI</u>	<u>229 PSI/9.</u>

15-8-81-9 SHUT IN OCT. 31/96 @ 15:00, FOUND

NOT FLOWING. 72 PSI. NOV. 1/96 @ 12:15 76 PSI.

9-10-81-10 DEAD WEIGHT OCT. 31/96 CASING 13.0 PSI

TUBING 0.0 PSI.

11-8-81-10 DEAD WEIGHT OCT. 31/96 64.0 PSI.

14-4-81-9 DEAD WEIGHT NOV. 1/96 197.4 PSI.

IF THIS TRANSMISSION IS NOT RECEIVED IN GOOD ORDER - PLEASE PHONE 403/559-2088

APPENDIX 2

SICP measurements 1996
on 12-16-81-9 W4

Bottom Hole Pressure Calculation

Company : Company Name
Well Name : 12-16-81-9W4
Date of Test : 15-Jan-95 **Shut In Time :** 99999
Formation : MCMR-WBSK

<u>Component</u>	<u>Mole Fraction</u>	<u>Date of Analysis (dd-Mon-Yr)</u>	1-Nov-96
N ₂	0.0051	Depth to MPP (mCF)	419.3
CO ₂	0.0029	Bottom Hole Temperature (°C)	9.0
H ₂ S	0.0000	Wellhead Pressure (kPaa)	1853.3
C ₁	0.9901	Wellhead Temperature (°C)	0.0
C ₂	0.0013	Specific Gravity	0.560
C ₃	0.0003	Z Factor (@ BHP)	0.959
iC ₄	0.0002	Bottom Hole Pressure (kPaa)	1910
nC ₄	0.0001	Gradient (kPa/m)	0.136
iC ₅	0.0000	<u>Comments</u> Date of test = gas analysis Date of analysis = deadweight gauge reading date wellhead temp was not recorded	
nC ₅	0.0000		
C ₆	0.0000		
C ₇₊	0.0000		
Total	1.0000		

BHP Version 1.0 Archibald Consulting Inc.

Bottom Hole Pressure Calculation

Company : Company Name
Well Name : 12-16-81-9 W4
Date of Test : 15-Jan-95 **Shut In Time :** 1680
Formation : MCMR-WBSK

<u>Component</u>	<u>Mole Fraction</u>	<u>Date of Analysis (dd-Mon-Yr)</u>	13-Nov-03
N ₂	0.0051	Depth to MPP	(mCF) 419.3
CO ₂	0.0029	Bottom Hole Temperature	(°C) 9.0
H ₂ S	0.0000	Wellhead Pressure	(kPaa) 1178
C ₁	0.9901	Wellhead Temperature	(°C) 2.0
C ₂	0.0013	Specific Gravity	0.560
C ₃	0.0003	Z Factor (@ BHP)	0.973
iC ₄	0.0002	Bottom Hole Pressure	(kPaa) 1213
nC ₄	0.0001	Gradient	(kPa/m) 0.085
iC ₅	0.0000	<u>Comments</u>	
nC ₅	0.0000	Date of test = gas analysis (from 12-16)	
C ₆	0.0000	Date of analysis = deadweight gauge reading date	
C ₇₊	0.0000	wellhead temp was not recorded	
Total	1.0000		

BHP Version 1.0 Archibald Consulting Inc.

APPENDIX 2
 SICP measurement 2003
 12-16-81-9 W4

Bottom Hole Pressure Calculation

Company : Company Name
Well Name : 12-16-81-9 W4
Date of Test : 15-Jan-95 **Shut In Time :** 99999
Formation : MCMR-WBSK

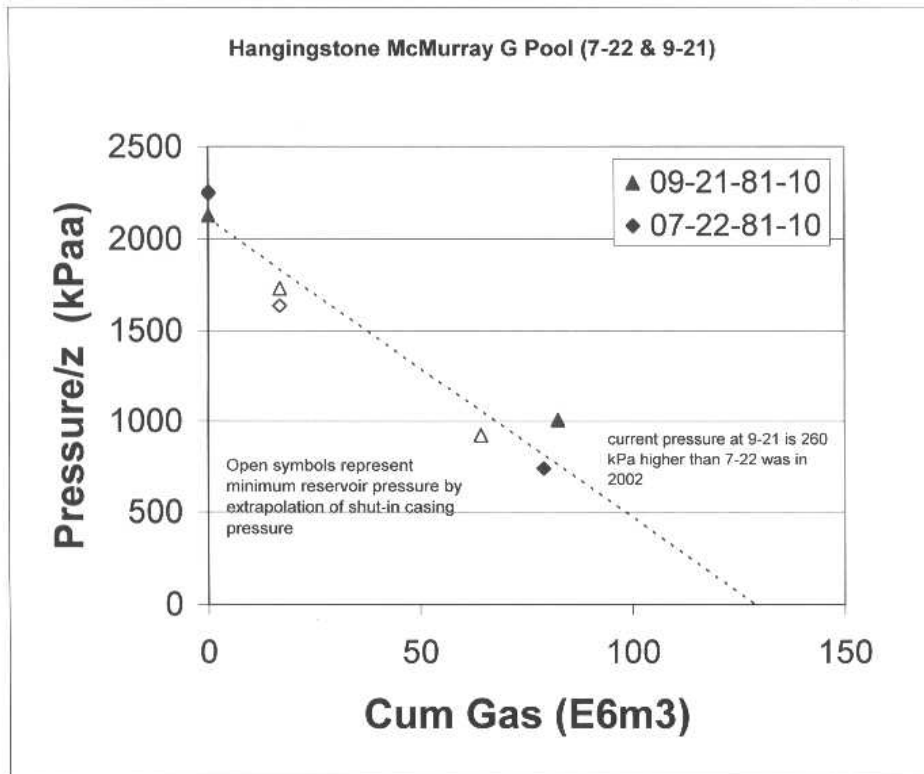
<u>Component</u>	<u>Mole Fraction</u>	<u>Date of Analysis (dd-Mon-Yr)</u>	1-Jun-96
N ₂	0.0051	Depth to MPP (mCF)	419.3
CO ₂	0.0029	Bottom Hole Temperature (°C)	9.0
H ₂ S	0.0000	Wellhead Pressure (kPaa)	1876.047
C ₁	0.9901	Wellhead Temperature (°C)	10.0
C ₂	0.0013	Specific Gravity	0.560
C ₃	0.0003	Z Factor (@ BHP)	0.958
iC ₄	0.0002	Bottom Hole Pressure (kPaa)	1932
nC ₄	0.0001	Gradient (kPa/m)	0.135
iC ₅	0.0000	<u>Comments</u> Date of test = gas analysis (from 12-16) Date of analysis = deadweight gauge reading date wellhead temp was not recorded PRIOR TO WELL BEING TIED IN	
nC ₅	0.0000		
C ₆	0.0000		
C ₇₊	0.0000		
Total	1.0000		

Hangingstone G Pool

Hangingstone McMurray G Pool (7-22 & 9-21)

Datum = 280 m

	E6m3 cumgas	kPaa	z	P/z	Well	
15-Jan-81	0.000	2176.2	0.968	2247.2	07-22-81-10	F&Bu□(Tub)
24-Jan-81	0.000	2184.2	0.968	2255.7	07-22-81-10	static
28-Sep-95	16.879	1599.6	0.977	1637.8	07-22-81-10	wellhead
19-Dec-02	79.051	732.0	0.989	740.0	07-22-81-10	static gradient
1-Jan-94	0.000	2064.0	0.970	2127.7	09-21-81-10	F&Bu□(Csg)
28-Sep-95	16.879	1691.8	0.975	1734.5	09-21-81-10	wellhead
21-Feb-00	64.272	909.8	0.987	922.1	09-21-81-10	wellhead
9-Dec-03	82.428	992.1	0.985	1006.7	09-21-81-10	static gradient





PARAMOUNT RESOURCES LTD.

PARA ET AL HANGINGSTONE
100/09-21-081-10 W4/0
McMURRAY
STATIC GRADIENT
DECEMBER 09, 2003

APPENDIX 3
Additional data - Hangingstone G Pool
Recent Static Gradient
9-21-81-10 W4M
PAS file submitted to EUB

Head Office: Suite #910 - 665 - 8th Street S.W., Calgary, AB. T2P 3K7
Tel: 262-3247 • Fax: 262-3270 • WEB SITE: www.cansub.com



STATIC GRADIENT SURVEY

COMPANY: PARAMOUNT RESOURCES LTD.
WELL NAME: PARA ET AL HANGINGSTONE
LOCATION: 100/09-21-081-10 W4/0
FORMATION: McMURRAY
DATE OF TEST: DECEMBER 09, 2003

WELL INFORMATION

KB,m	708.90	GL,m	705.60	
KB - GL,m	3.30			
TUBING SIZE	60.3 mm	LANDED @ mKB	439.74	
CASING SIZE	114.3 mm	LANDED @ mKB	487.00	
PERFORATIONS, mKB	444.80	446.00	MID-POINT PERFORATIONS, mKB	445.40
POOL DATUM (ref sea level), m	-	DATUM DEPTH of WELL, mKB	-	

TEST INFORMATION

TEST TYPE	STATIC GRADIENT	WELL STATUS	GAS WELL
DATE ON BOTTOM	2003/12/09	TIME ON BOTTOM	16:15
DATE OFF BOTTOM	2003/12/09	TIME OFF BOTTOM	16:22
INITIAL TBG PRESSURE, kPa(a)	956.0	FINAL TBG PRESSURE, kPa(a)	956.0
INITIAL CSG PRESSURE, kPa(a)	190.0	FINAL CSG PRESSURE, kPa(a)	190.0
WELL SHUT IN DATE	2003/12/07	WELL SHUT IN TIME	18:00

RESULTS

(Bottom gauge used as primary)

RUN DEPTH, mKB	445.40	TEMPERATURE at RUN DEPTH	7.78
PRESSURE at RUN DEPTH, kPa(a)	993.17	GRADIENT at RUN DEPTH, kPa/m	0.064
DEPTH TO FLUID, mKB	NO FLUID	OIL-WATER INTERFACE, mKB	-
PRESSURE at MPP, kPa(a)	993.17	PRESSURE at DATUM, kPa(a)	

PROBE INFORMATION

TOP GAUGE S/N	76432	PRESSURE RANGE	0 - 5171
BOTTOM GAUGE S/N	76486	GAUGE TYPE	SPARTEK
LATEST CALIBRATION	2003/11/05	MEMORY CAPACITY	240,000
PROBE ACCURACY, %FS	0.024	kPa +/-	1.2

REMARKS

ALL PRESSURES ARE REPORTED IN kPa(a) USING 93.0 AS ATMOSPHERIC
 NOTE - OPERATOR TAGGED FILL @ 446.8 mKB
 TD @ 487.0 mKB

PARAMOUNT RESOURCES LTD.
100/09-21-081-10W4/0

PARA ET AL HANGINGSTONE
Formation: McMURRAY

	Depth m	Time hh:mm:ss	Pressure kPa(a)	Gradient kPa/m	LL Depth m	LL Pres. kPa(a)	Temp. °C	Gradient °C/m
1	2.30	15:32:27	962.70				3.87	
2	102.30	15:38:42	969.04	0.063			2.37	-0.015
3	202.30	15:45:12	975.91	0.069			1.91	-0.005
4	252.30	15:50:42	979.38	0.069			2.23	0.006
5	302.30	15:55:42	982.83	0.069			2.89	0.013
6	352.30	16:01:28	986.33	0.070			3.92	0.021
7	402.30	16:07:12	989.66	0.067			5.07	0.023
8	427.30	16:12:12	991.31	0.066			6.00	0.037
9	444.40	16:20:42	992.45	0.067			7.19	0.069

PARAMOUNT RESOURCES LTD.
100/09-21-081-10W4/0

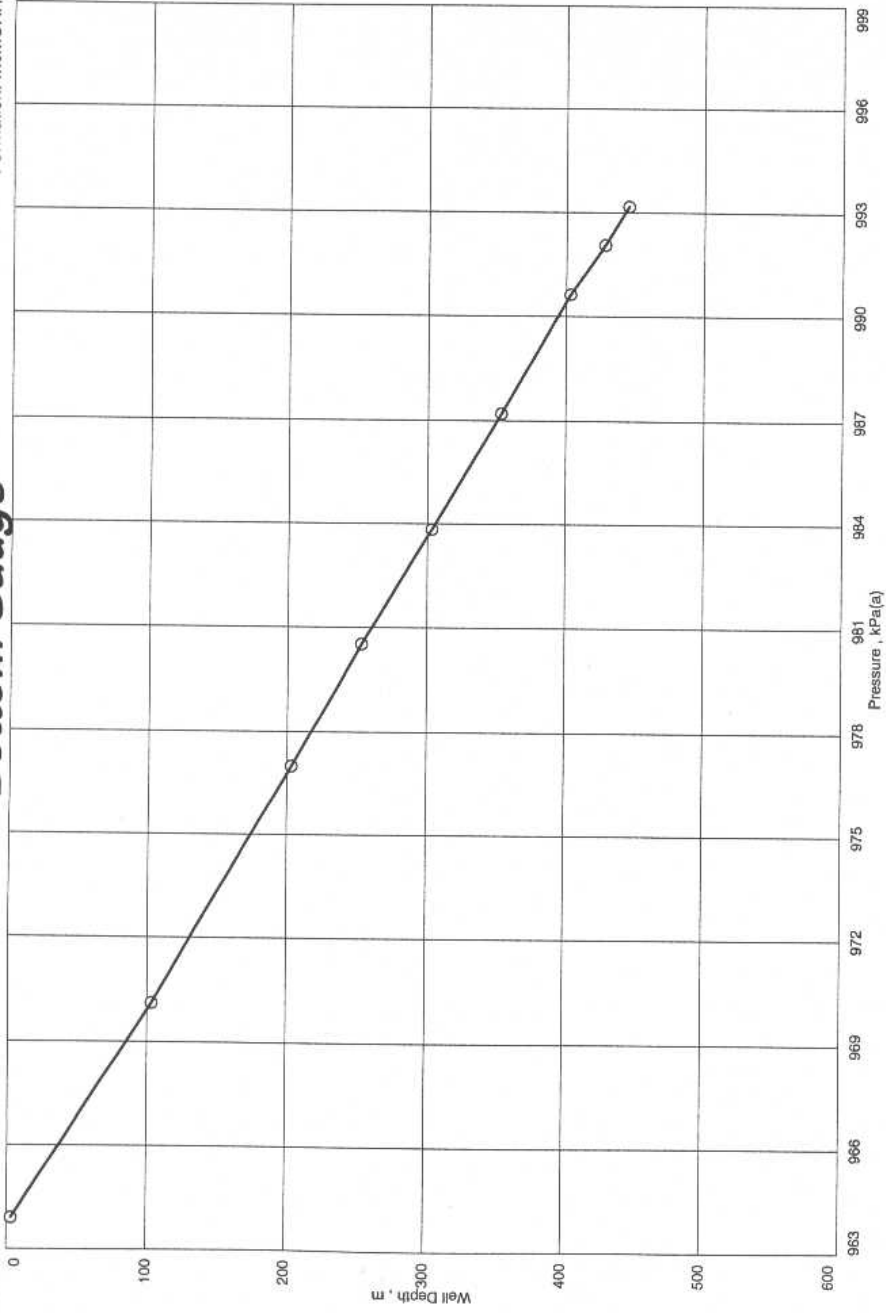
PARA ET AL HANGINGSTONE
Formation: McMURRAY

	Depth m	Time hh:mm:ss	Pressure kPa(a)	Gradient kPa/m	LL Depth m	LL Pres. kPa(a)	Temp. °C	Gradient °C/m
1	3.30	15:31:12	963.90				1.76	
2	103.30	15:39:12	970.11	0.062			0.60	-0.012
3	203.30	15:45:12	977.01	0.069			1.05	0.005
4	253.30	15:50:42	980.52	0.070			1.94	0.018
5	303.30	15:56:13	983.83	0.066			3.13	0.024
6	353.50	16:01:28	987.20	0.067			4.33	0.024
7	403.30	16:07:12	990.62	0.069			5.81	0.030
8	428.30	16:11:58	992.08	0.058			6.90	0.044
9	445.40	16:20:13	993.17	0.064			7.78	0.052

PARAMOUNT RESOURCES LTD.
100/09-21-081-10W4/0

Bottom Gauge

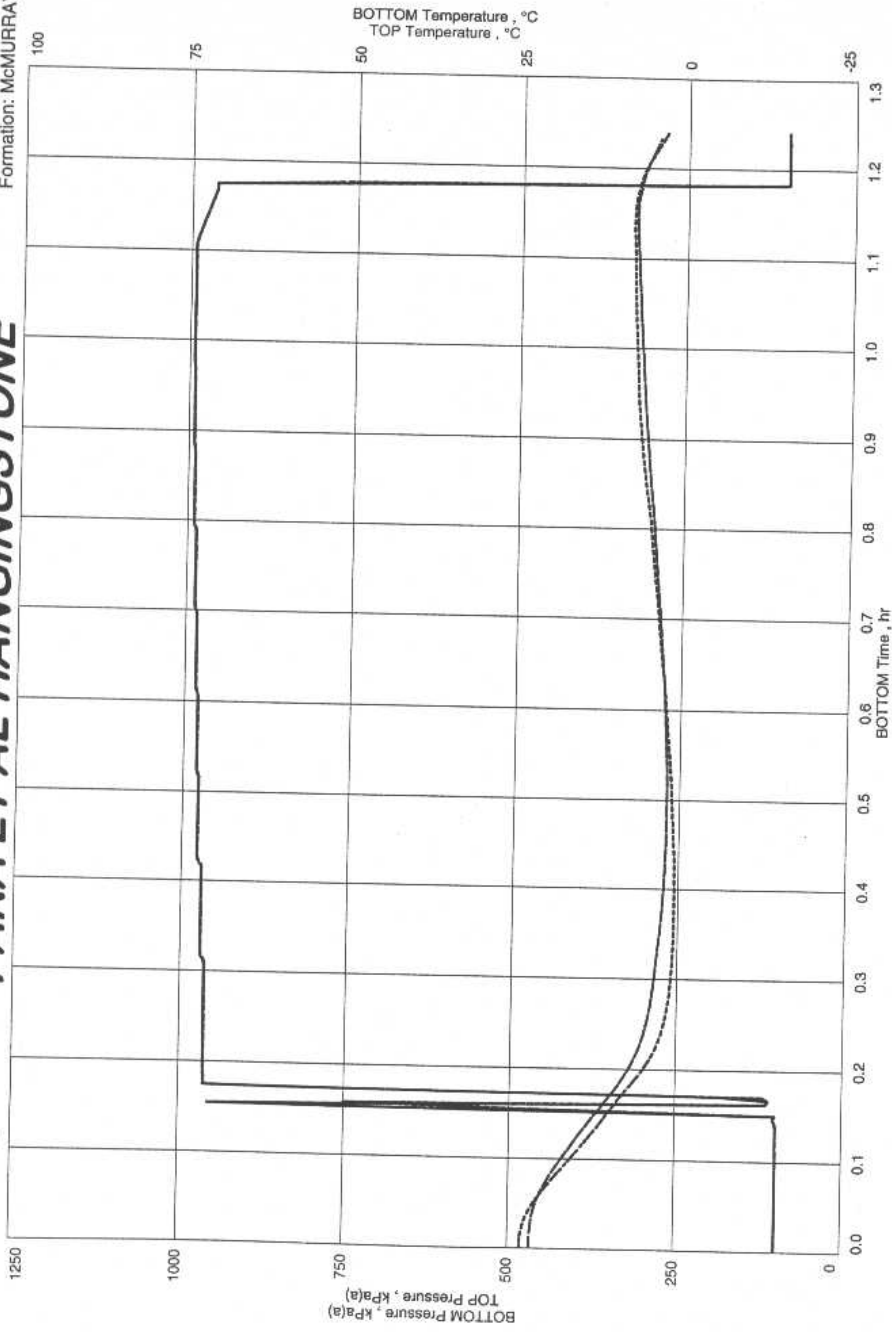
PARA ET AL HANGINGSTONE
Formation: McMURRAY



PARAMOUNT RESOURCES LTD.
100/09-21-081-10W4/0

PARA ET AL HANGINGSTONE

PARA ET AL HANGINGSTONE
Formation: McMURRAY





PARAMOUNT RESOURCES LTD.

PARA ET AL CORNER
100/15-26-079-10 W4/0
McMURRAY
STATIC GRADIENT
DECEMBER 10, 2003

APPENDIX 4

**Additional data - Leismer Wabiscaw-McMurray C Pool
Recent Static Gradient
15-26-79-10 W4M: A1 SAND
PAS file submitted to EUB**

*Head Office: Suite #910 - 665 - 8th Street S.W., Calgary, AB. T2P 3K7
Tel: 262-3247 • Fax: 262-3270 • WEB SITE: www.cansub.com*



STATIC GRADIENT SURVEY

COMPANY: PARAMOUNT RESOURCES LTD.
 WELL NAME: PARA ET AL CORNER
 LOCATION: 100/15-26-079-10 W4/0
 FORMATION: McMURRAY
 DATE OF TEST: DECEMBER 10, 2003

WELL INFORMATION

KB,m	694.50	GL,m	691.00
KB - GL,m	3.50		
TUBING SIZE	60.3 mm	LANDED @ mKB	439.24
CASING SIZE	114.3 mm	LANDED @ mKB	495.00
PERFORATIONS, mKB	432.80	434.00	MID-POINT PERFORATIONS, mKB
POOL DATUM (ref sea level), m			DATUM DEPTH of WELL, mKB

TEST INFORMATION

TEST TYPE	STATIC GRADIENT	WELL STATUS	GAS WELL
DATE ON BOTTOM	2003/12/10	TIME ON BOTTOM	9:36
DATE OFF BOTTOM	2003/12/10	TIME OFF BOTTOM	9:43
INITIAL TBG PRESSURE, kPa(a)	652.0	FINAL TBG PRESSURE, kPa(a)	652.0
INITIAL CSG PRESSURE, kPa(a)	658.0	FINAL CSG PRESSURE, kPa(a)	658.0
WELL SHUT IN DATE	2003/12/08	WELL SHUT IN TIME	16:10

RESULTS

(Bottom gauge used as primary)

RUN DEPTH, mKB	433.40	TEMPERATURE at RUN DEPTH	9.33
PRESSURE at RUN DEPTH, kPa(a)	682.76	GRADIENT at RUN DEPTH, kPa/m	0.065
DEPTH TO FLUID, mKB	NO FLUID	OIL-WATER INTERFACE, mKB	
PRESSURE at MPP, kPa(a)	682.76	PRESSURE at DATUM, kPa(a)	

PROBE INFORMATION

TOP GAUGE S/N	76432	PRESSURE RANGE	0 - 5171
BOTTOM GAUGE S/N	76486	GAUGE TYPE	SPARTEK
LATEST CALIBRATION	2003/11/05	MEMORY CAPACITY	240,000
PROBE ACCURACY, %FS	0.024	kPa +/-	1.2

REMARKS

ALL PRESSURES ARE REPORTED IN kPa(a) USING 93.0 AS ATMOSPHERIC
 NOTE - OPERATOR TAGGED FILL @ 435.5 mKB
 TD @ 495.0 mKB

PARAMOUNT RESOURCES LTD.
100/15-26-079-10W4/0

PARA ET AL CORNER
Formation: McMURRAY

	Depth m	Time hh:mm:ss	Pressure kPa(a)	Gradient kPa/m	LL Depth m	LL Pres. kPa(a)	Temp. °C	Gradient °C/m
1	3.50	08:53:43	654.60				-6.49	
2	103.50	08:59:57	661.29	0.067			-2.95	0.035
3	203.50	09:05:57	668.00	0.067			-0.42	0.025
4	303.50	09:11:12	674.00	0.060			1.48	0.019
5	353.50	09:17:43	677.63	0.072			4.08	0.052
6	378.50	09:23:12	679.56	0.077			5.94	0.074
7	403.50	09:28:42	680.95	0.056			7.40	0.059
8	423.50	09:34:13	682.12	0.058			8.43	0.051
9	433.40	09:41:43	682.76	0.065			9.33	0.091

PARAMOUNT RESOURCES LTD.
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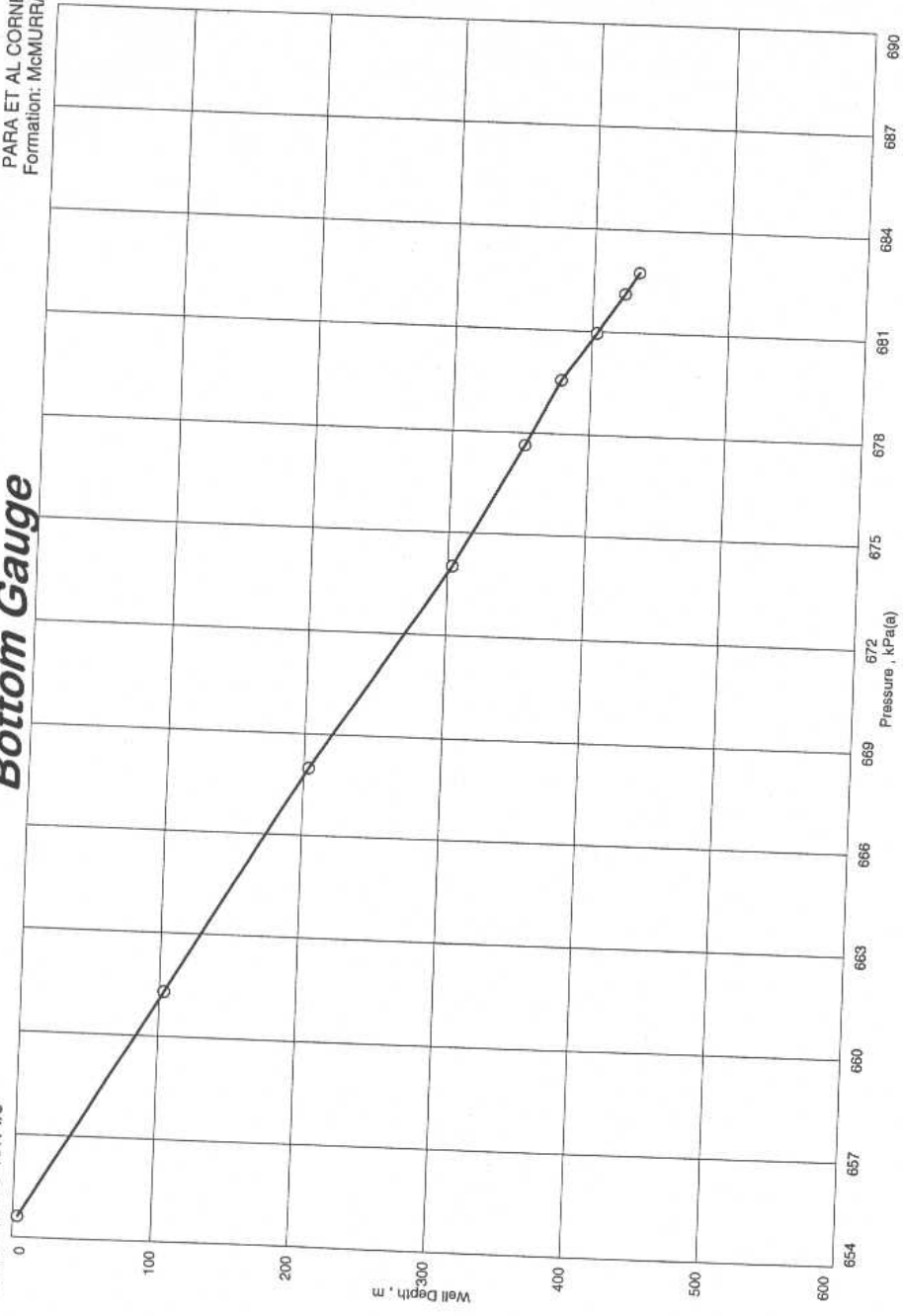
PARA ET AL CORNER
Formation: McMURRAY

	Depth m	Time hh:mm:ss	Pressure kPa(a)	Gradient kPa/m	LL Depth m	LL Pres. kPa(a)	Temp. °C	Gradient °C/m
1	2.50	08:52:58	652.11				13.83	
2	102.50	08:59:43	659.37	0.073			9.76	-0.041
3	202.50	09:05:27	666.41	0.070			7.09	-0.027
4	302.50	09:11:27	672.73	0.063			6.01	-0.011
5	352.50	09:16:58	676.38	0.073			6.10	0.002
6	377.50	09:23:12	678.48	0.084			6.66	0.022
7	402.50	09:28:27	679.99	0.060			7.23	0.023
8	422.50	09:33:57	681.29	0.065			7.87	0.032
9	432.40	09:41:27	682.03	0.075			8.60	0.074

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Bottom Gauge

PARA ET AL CORNER
Formation: McMURRAY



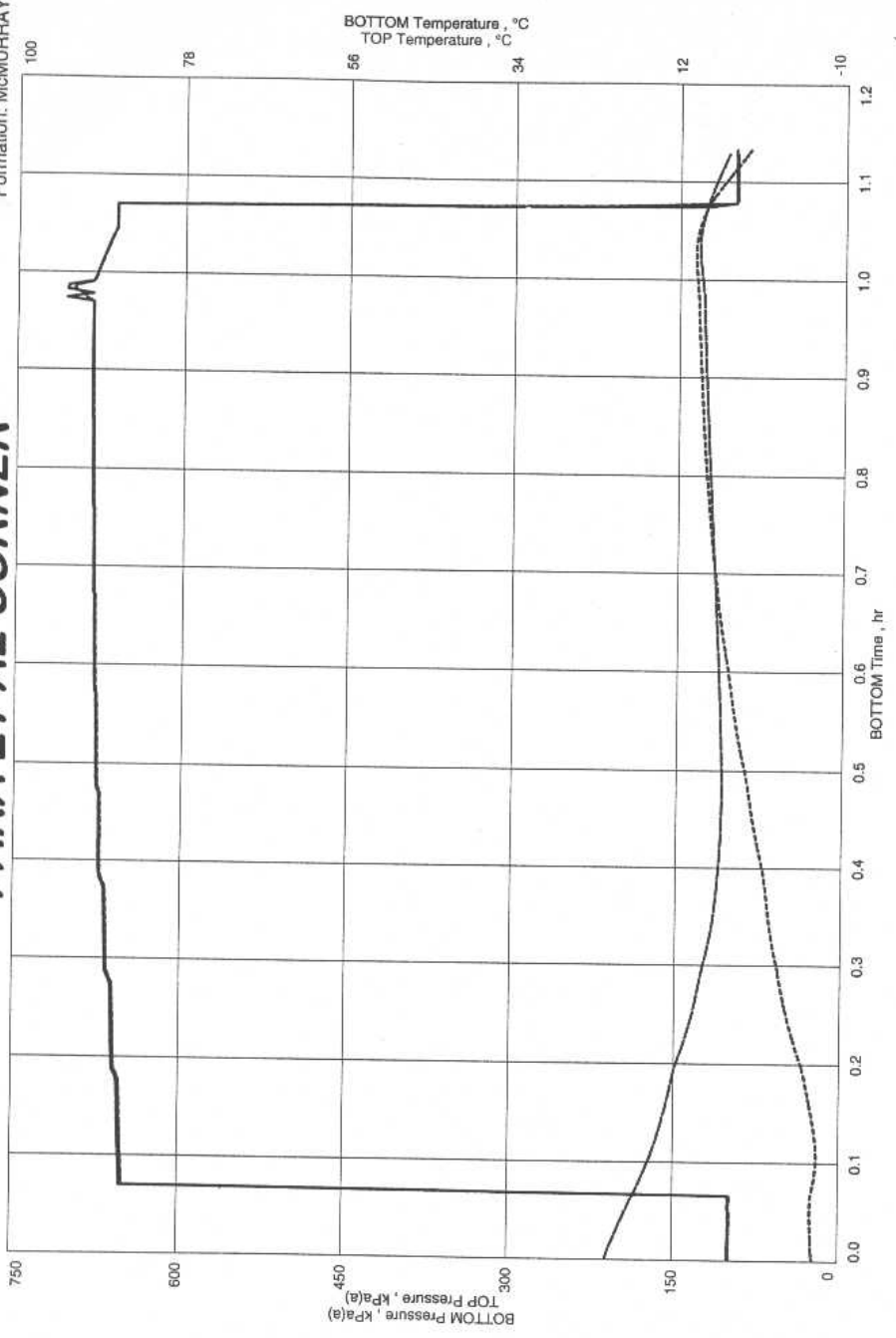
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PARA ET AL CORNER

PARA ET AL CORNER
Formation: McMURRAY





PARAMOUNT RESOURCES LTD.

PARA ET AL CORNER
100/15-26-079-10 W4/0
LOWER McMURRAY
STATIC GRADIENT
DECEMBER 21, 2003

APPENDIX 4

**Additional data - Leismer Wabiscaw-McMurray C Pool
Recent Static Gradient
15-26-79-10 W4M: A2 SAND
PAS file submitted to EUB**

Head Office: Suite #910 - 665 - 8th Street S.W., Calgary, AB. T2P 3K7
Tel: 262-3247 • Fax: 262-3270 • WEB SITE: www.cansub.com



STATIC GRADIENT SURVEY

COMPANY: PARAMOUNT RESOURCES LTD.
 WELL NAME: PARA ET AL CORNER
 LOCATION: 100/15-26-079-10 W4/0
 FORMATION: LOWER McMURRAY
 DATE OF TEST: DECEMBER 21, 2003

WELL INFORMATION

KB,m	694.50	GL,m	691.00
KB - GL,m	3.50		
TUBING SIZE	60.3 mm	LANDED @ mKB	439.24
CASING SIZE	114.3 mm	LANDED @ mKB	495.00
PERFORATIONS, mKB	440.00	441.00	MID-POINT PERFORATIONS, mKB
POOL DATUM (ref sea level), m	-		DATUM DEPTH of WELL, mKB
			-

TEST INFORMATION

TEST TYPE	STATIC GRADIENT	WELL STATUS	GAS WELL
DATE ON BOTTOM	2003/12/21	TIME ON BOTTOM	13:16
DATE OFF BOTTOM	2003/12/21	TIME OFF BOTTOM	13:23
INITIAL TBG PRESSURE, kPa(a)	657.0	FINAL TBG PRESSURE, kPa(a)	657.0
INITIAL CSG PRESSURE, kPa(a)	657.0	FINAL CSG PRESSURE, kPa(a)	657.0
WELL SHUT IN DATE	2003/12/19	WELL SHUT IN TIME	13:00

RESULTS

(Bottom gauge used as primary)

RUN DEPTH, mKB	440.50	TEMPERATURE at RUN DEPTH	11.14
PRESSURE at RUN DEPTH, kPa(a)	1407.93	GRADIENT at RUN DEPTH, kPa/m	9.861
DEPTH TO FLUID, mKB	367.55	OIL-WATER INTERFACE, mKB	-
PRESSURE at MPP, kPa(a)	1407.93	PRESSURE at DATUM, kPa(a)	

PROBE INFORMATION

TOP GAUGE S/N	76432	PRESSURE RANGE	0 - 5171
BOTTOM GAUGE S/N	76486	GAUGE TYPE	SPARTEK
LATEST CALIBRATION	2003/11/05	MEMORY CAPACITY	240,000
PROBE ACCURACY, %FS	0.024	kPa +/-	1.2

REMARKS

ALL PRESSURES ARE REPORTED IN kPa(a) USING 93.0 AS ATMOSPHERIC
 PBD @ 478.9 mKB
 TD @ 495.0 mKB

PARAMOUNT RESOURCES LTD.
100/15-26-079-10W4/0

PARA ET AL CORNER
Formation: LOWER McMURRAY

	Depth m	Time hh:mm:ss	Pressure kPa(a)	Gradient kPa/m	LL Depth m	LL Pres. kPa(a)	Temp. °C	Gradient °C/m
1	3.50	12:34:12	663.19				10.22	
2	103.50	12:40:28	671.13	0.079			7.54	-0.027
3	203.50	12:45:27	676.26	0.051			5.89	-0.017
4	303.50	12:52:28	682.99	0.067			5.47	-0.004
5	353.50	12:58:28	690.54	0.151			6.20	0.015
6	378.50	13:02:27	799.60	4.363	367.55	692.65	7.67	0.059
7	403.50	13:07:57	1043.73	9.765			9.51	0.073
8	423.50	13:13:28	1240.30	9.829			10.41	0.045
9	440.50	13:19:57	1407.93	9.861			11.14	0.043

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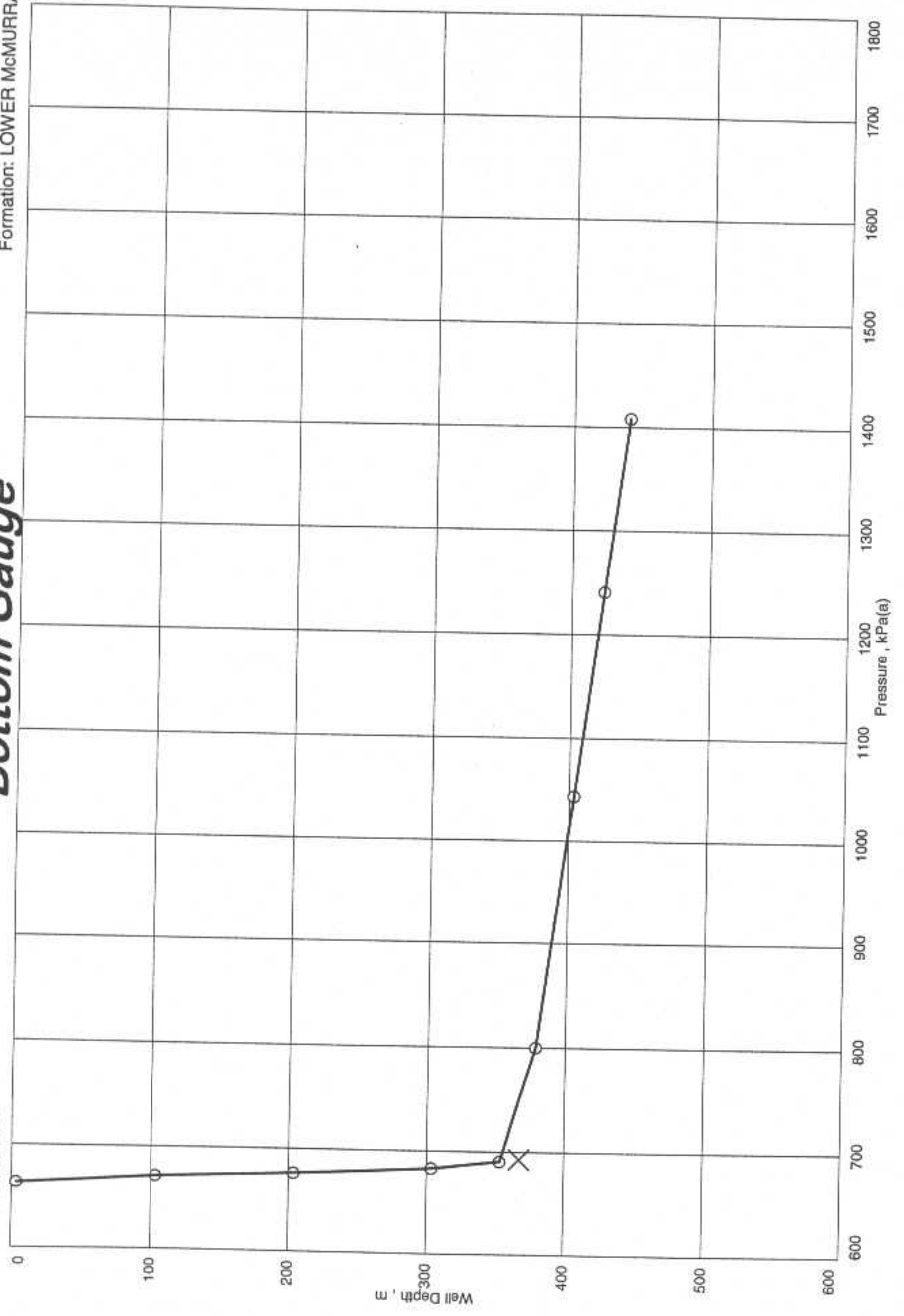
PARA ET AL CORNER
Formation: LOWER McMURRAY

	Depth m	Time hh:mm:ss	Pressure kPa(a)	Gradient kPa/m	LL Depth m	LL Pres. kPa(a)	Temp. °C	Gradient °C/m
1	2.50	12:34:42	662.40				12.81	
2	102.50	12:40:28	670.06	0.077			10.42	-0.024
3	202.50	12:45:27	674.90	0.048			8.57	-0.018
4	302.50	12:50:58	680.40	0.055			7.48	-0.011
5	353.50	12:58:28	689.71	0.183			7.31	-0.003
6	377.50	13:02:58	792.05	4.264	367.30	692.24	8.32	0.042
7	402.50	13:07:28	1036.64	9.783			9.39	0.043
8	422.50	13:13:42	1233.13	9.824			10.37	0.049
9	439.50	13:21:27	1400.62	9.853			11.19	0.048

PARAMOUNT RESOURCES LTD.
100/15-26-079-10W4/0

Bottom Gauge

PARA ET AL CORNER
Formation: LOWER McMURRAY



PARAMOUNT RESOURCES LTD.
100/15-26-079-10W4/0

PARA ET AL CORNER

PARA ET AL CORNER
Formation: LOWER McMURRAY

