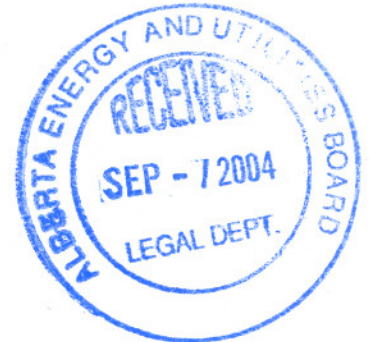


September 7th, 2004

Alberta Energy and Utilities Board
640, 5th Avenue SW
Calgary, Alberta T2P 3G4
VIA COURIER



Attention: Gary D. Perkins

Douglas A. Larder

RE: General Bulletin GB 2003-28 Phase III Final Hearing

Paramount Resources will attend the GB 2003-28 Final Hearing pre-hearing meeting on September 15th, 2004, at the Board offices in Calgary.

Paramount Resources will not be preparing a panel for the hearing unless the hearing scope is broad enough to include advances in SAGD, commercial resource criteria, and Gas over Bitumen technical solutions, as well as geology. Paramount believes other parties will make similar points at the pre-hearing meeting and thus will be satisfied to observe and participate in the discussion.

Should the Board believe it useful, Paramount Resources would be prepared to make a presentation regarding Paramount's proposed technical solution, embodied in the "Gas Re-Injection & Production Experiment" (GRIPE).

If you have any questions, or should the Board desire a review of GRIPE, please contact me at (403) 206-3832 or at gary.bunio@paramountres.com.

Yours truly,

Paramount Resources



Gary Bunio, P. Eng.

cc: C. Riddell J. Riddell C. Morin D. Thomas – CPC T.J. Wheeler - CPC