

January 22, 2010



Ms. Bernadette Law
Energy Resources Conservation Board
640 – 5 Avenue SW
Calgary, AB T2P 3G4

Dear Ms. Law:

**RE: ERCB DECISION 2009-061
ERCB SHUT IN ORDER 09-003
ATHABASCA OIL SANDS AREA**

Paramount Energy Operating Corporation (PEOC) has reviewed all of its wells within the ERCB defined Liege Field.

In comparing the Initial pressures in the PEOC licenced wells within the Liege field to those wells listed within the Amendment A to Interim Shut-In Order 09-003, PEOC has found a number of discrepancies, which are listed in Table 1 shown below:

Table 1, Wells not listed within the ERCB Shut-In Order 09-003

| Pool | Well UWI | Top Pay (TVD m) | Base Pay (TVD m) | Stratigraphic Interval | Initial Pressure (kPaa) |
|------------|----------------------|-----------------|------------------|------------------------|-------------------------|
| Wabiskaw K | 00/10-28-093-17W4/00 | 212.4 | 212.9 | WBSK A | 816 |
| Wabiskaw K | 00/10-28-093-17W4/00 | 215.3 | 216.0 | WBSK C | 816 |
| Wabiskaw Y | 00/11-31-093-17W4/00 | 236.2 | 238.4 | WBSK C | 480 |
| Wabiskaw Y | 00/11-31-093-17W4/00 | 243.2 | 244.9 | WBSK D | 480 |
| Wabiskaw R | 00/13-08-095-17W4/02 | 334.7 MD | 578.0 MD | WBSK C | 412 |

Based on the initial pressure information that PEOC has, it is believe that these wells (3 in total) should be added to the list of wells in Amendment A to Interim Shut-In Order 09-003. PEOC is seeking immediate clarification so that all wells/facilities requiring suspension can be done during the winter access period. The final hearing date has not yet been determined, but it is unlikely to be fully resolved within 1 year of the SI, so these wells will require suspension to maintain compliance.

Please call the undersigned at (403) 269-4448 if you require additional information.

Yours truly,

PARAMOUNT ENERGY OPERATING CORP.
(as trustee of Paramount Operating Trust)

A handwritten signature in black ink, appearing to read "Larry D. Martinuzzi".

Larry D. Martinuzzi, P. Eng.
Senior Reservoir Engineer
Technical Regulatory Advisor