



Department of Lands  
Dehcho Region  
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August 31, 2018

Paramount Resources Ltd.  
Suite 2800, 421 - 7th Avenue SW  
Calgary, AB T2P 4K9

**Attention: Terence Hughes**

<b>File Number</b>	<b>MV2014X0011</b>
<b>Type of Operation</b>	<b>MISC.</b>
<b>Location</b>	Well sites A-1, A-2, A-3, A-4, B-1, B-2, and the Plant Site.

Dear Terence Hughes,

An inspection of the above noted operation was conducted on July 24, 2018 by Resource Management Officer II Kyle Christiansen and Manager, Resource Management Jarret Hardisty.

Enclosed is a copy of the Environmental Inspection Report.

If you have any questions, please contact me at 867-695-2626 ext.206.

Sincerely,

Kyle Christiansen  
Resource Management Officer II  
Department of Lands  
Dehcho Region

CC: Permits - MVLWB

Jarret Hardisty – Manager, Resource Management, GNWT Lands, Dehcho Region

Laurie Nadia – Regional Superintendent, GNWT Lands, Dehcho Region

ENVIRONMENTAL INSPECTION REPORT

Permittee:	Paramount Resources Ltd.	Permit Expiry Date:	June 04, 2019
Land Use Permit No.	MV2014X0011	Previous Inspection:	August 10, 2017
Quarrying Permit No.		Inspection Date:	July 24, 2018
Contractor:		Subcontractor:	
Location(s) Inspected:	Well sites A-1, A-2, A-3, A-4, B-1, B-2, and the Plant Site.		
Current Stage of Operation:	Reclamation/Remediation		
Program Modifications Approved:	Not applicable		

Condition of Operation “A” - Acceptable “U” - Unacceptable “N/A” - Not Applicable “N/I” - Not Inspected

Operating Condition	Aspect Inspected				
	Well Sites	Plant Site			
Location as Permitted	A	A			
Time as Permitted	A	A			
Equipment as Approved (Type & Size)	A	A			
Methods & Techniques	A	A			
Facilities	A	A			
Erosion (Control or Prevention)	A	A			
Chemicals	A	A			
Wildlife and Fisheries Habitat (Protection)	A	A			
Wastes	A	A			
Historical / Archaeological Sites	A	A			
Fuel Storage	A	A			
Brush Disposal	A	A			
Restoration of Lands	A	A			
Permits	N/I	N/I			

Explanatory Remarks -

Inspectors from the Department of Lands inspected the well sites and plant site associated with the MV2014X0011 Land-Use Permit on July 24, 2018. Aerial photographs and access to the locations were done using a helicopter.

Well Sites:

A-1

All above ground infrastructure has been removed from the A-1 well site except for ground water monitoring wells. Vegetation covered approximately 50% of the site. The soil that was replaced at the former wellhead location had settled out and the sign was still in place. Inspectors have no concerns with the A-1 well site and will continue to monitor the location.



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A-2

All above ground infrastructure has been removed from the A-2 well site except for ground water monitoring wells. Vegetation covered approximately 95% of the site. The soil settled where the wellhead was removed and the sign was installed. Inspectors have no concerns with the A-2 well site and will continue to monitor the location.

A-3

Most of the above ground infrastructure has been removed except for ground water monitoring wells and piping near the access entrance. Vegetation covered approximately 90% of the site with clover being one of the more prominent species noted by inspectors. The soil that was replaced once the wellhead was removed had settled around the sign that was installed. Inspectors have no concerns with the A-3 well site and will continue to inspect it in the future.

A-4

All above ground infrastructure except for the ground water monitoring wells was removed. Vegetation has established throughout the site with Inspectors noting that clover was prominent. The soil that was placed in the wellheads previous location had settled and the sign was still in place. Inspectors have no concerns with the A-4 well site and will continue to monitor the location.

B-1

All above ground infrastructure was removed except for ground water monitoring wells. Vegetation has established on approximately 75% of the site. Pooling water was present on the site. The soil that replaced the wellhead had settled and the sign had fallen over. Brushing may be required in the future to ensure access via helicopter, if brushing occurs Inspectors request the sign be repaired at the same time. Inspectors have no concerns with the B-1 well site and will continue to monitor the location.

B-2

All above ground infrastructure except ground water monitoring wells has been removed. Vegetation covered approximately 85% of the site. The sign that was installed where the wellhead was located had fallen over. Inspectors have no concerns with the B-2 well site and will continue to monitor the location.

Plant Site:

The Pointed Mountain Plant site was in a similar condition as the previous year’s inspection. Most of the above ground infrastructure has been removed from the site. The surge pond was holding water with new fencing that replaced the previous snow-fencing. Bird deterrents were also installed on the surge pond. Debris was noted on the site during the inspection which will be removed as remediation and reclamation progresses. Vegetation has established on approximately 90% of the site. Inspectors have no concerns with the activities under Land-Use Permit MV2014X0011 and will continue to inspect the location.



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Inspection Images:

Figure 1  
Aerial of the A-1 well site.



Figure 2  
Sign that was installed where wellhead was on A-1 well site.





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Figure 3  
Aerial of A-2 well site.



Figure 4  
Signage in place of wellhead on A-2 well site.





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Figure 5  
Aerial of A-3 well site.



Figure 6  
Aerial with exposed piping on A-3 well site.





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Figure 7  
Signage on A-3 well site.



Figure 8  
Aerial of A-4 well site.





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Figure 9  
Signage on A-4 well site.



Figure 10  
Aerial of B-1 well site.





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Figure 11  
Aerial of B-1 well site with pooling water.



Figure 12  
Signage that fell over on B-1 well site.





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Figure 13  
Aerial of B-2 well site.



Figure 14  
Sign that fell over on B-2 well site.





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Figure 15  
Aerial of Plant Site.



Figure 16  
Aerial of Plant Site.





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Figure 17  
Aerial of Plant Site.



Figure 18  
Aerial of Plant Site.





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Figure 19  
Debris on Plant Site.



Figure 20  
Debris on Plant Site.





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Figure 21  
Debris on Plant Site.



Figure 22  
Debris on Plant Site.





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Figure 23  
New fencing around surge pond.



Figure 24  
Old snow-fencing that was around surge pond.

