



Department of Environment and Climate Change Land and Water Division- Dehcho P.O Box 150 Fort Simpson, NT X0E 0N0 Telephone: 867-695-1972

October 15, 2024

Paramount Resources Ltd Suite 2800, 421 7th Ave SW Calgary, AB T2P 4K9

Attention: Terrence Hughes

File Number MV2020A0009

Type of Operation OIL AND GAS DRILLING - WELLSITE **Location** F25/F25A, K-29, O-80, M-25, Quarry

Dear Terrence Hughes,

An inspection of the above noted operation was conducted on September 25, 2024 by Manager, Resource Management Danielle Rogers.

Enclosed is a copy of the Environmental Inspection Report. The Inspector did not have any noted concerns.

If you have any questions, please contact me at 867-695-1972.

Sincerely,

Danielle Rogers

Manager, Resource Management
Department of Environment & Climate

Change

CC: Andrew Wheeler, Regulatory Specialist, MVLWB



| Permittee: | Paramount Resources Ltd | Permit Expiry Date: | November 19, 2025 | |
|---------------------------------|------------------------------------|----------------------|-----------------------|--|
| Land Use Permit No. | MV2020A0009 | Previous Inspection: | August 15, 2023 | |
| Quarrying Permit No. | | Inspection Date: | September 25, 2024 | |
| Contractor: | | Subcontractor: | | |
| Location(s) Inspected: | F25/F25A, K-29, O-80, M-25, Quarry | | | |
| Current Stage of Operation: | Abandonment and Reclamation | | | |
| Program Modifications Approved: | N/A | | | |

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

| Operating Condition | Aspect Ins | spected | |
|---|------------|---------|--|
| | Sites | | |
| Location as Permitted | Α | | |
| Time as Permitted | Α | | |
| Equipment as Approved (Type & Size) | А | | |
| Methods & Techniques | Α | | |
| Facilities | Α | | |
| Erosion (Control or Prevention) | Α | | |
| Chemicals | Α | | |
| Wildlife and Fisheries Habitat (Protection) | Α | | |
| Wastes | Α | | |
| Fuel Storage | Α | | |
| Brush Disposal | Α | | |
| Restoration of Lands | Α | | |
| Permits | Α | | |

Explanatory Remarks -

An Inspector from the Department of Environment and Climate Change conducted an inspection of the well sites and quarry that are associated with the MV2020A0009 Land Use Permit on September 25, 2024, via helicopter.

K-29: This summer infrastructure removal took place. At the time of the inspection, five buildings, the flare stack and various pipes and pilings remained on site. There was also miscellaneous debris piled up in containers. The Inspector noted numerous doors were open at the time of the inspection.

O-80: All the infrastructure was removed from the site this past summer. The site was left in a satisfactory condition.

M-25: All the infrastructure was removed from the site this past summer. The soil in the berm and a rig mat was all what is left. The site is in a satisfactory condition.

F-25/F-25A: This summer infrastructure removal took place. At the time of the inspection, nine buildings, the flare stack, and various miscellaneous items remained on site. The fenced

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off sump was almost empty. The Inspector did not land due to bison on the site at the time of the inspection.

Quarry: The quarry permit is expired. Woody vegetation was established throughout the quarry. The infrastructure that was removed from the sites that could not make it across on the barge was stored within the quarry.

The Inspector has no concerns and will continue to monitor.

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Inspection Images:

Figure 1

Aerial of K-29



Figure 2 K-29 Flare stack



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Figure 3 K-29 Fuel Tanks



Figure 4 K-29 Miscellaneous Debris



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Figure 5

K-29 buildings and Pilings



Figure 6 K-29 Riser



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Figure 7
K-29 Debris



Figure 8 K-29 building with open door



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Figure 9

0-80



Figure 10

0-80



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Figure 11

M-25



Figure 12 M-25 Bermed Soil and Rig Mat



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Figure 13

F-25



Figure 14 F-25 Bison on site



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Figure 15
Quarry Storage



Figure 16
View of the Quarry



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