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December 19, 2024

File: MV2020L1-0007, MV2020L1-0006 MV2021L1-0006, MV2018L1-0005

Terence Hughes
Regulatory and Community Affairs Advisor
Paramount Resources Ltd.
Suite 2800 – 421, 7th Avenue SW
Calgary, AB T2P 4K9

Sent by email

Dear Terence Hughes,

Re: 2023 Annual Water License Reports for Liard South, Liard East, Liard West, Celibeta – Paramount – Oil and Gas – Fort Liard area, NT

The Mackenzie Valley Land and Water Board (Board) received the 2023 Annual Water License Reports¹ (Annual Report) submitted by Paramount Resources Ltd. (Paramount) in 2024 as required by the Water Licenses MV2020L1-0007, MV2020L1-0006, MV2021L1-0006, MV2018L1-0005 and the Board's June 2023 and October 2023 Decision Letters on the 2022 Annual Water License Reports.²

Board staff have reviewed the 2023 Annual Reports and determined that the submissions do not meet the Licence requirements, including those set out in the Board's Decision Letters. The Board provided direction to Paramount following the review of the 2022 Annual Water Licence Reports and the 2023 Annual Water Licence Reports do not address all the directives.

¹ See MVLWB Online Registry <u>www.mvlwb.com</u> for: <u>Paramount - Liard East - Annual Water Licence Report - 2023 - Mar31_24, Paramount - Liard South - 2023 Annual Water Licence Report - May 1_24, Paramount - Liard West - Annual Water Licence Report - 2023 - Mar31_24, Paramount - Celibeta - 2023 Annual Water Licence Report - Aug 29_24.</u>

² See MVLWB Online Registry for 2022 Decision Letters and Review Summary Tables: <u>Paramount – Liard South – Acknowledged – 2022 Annual Report – Jun 27 _ 23</u>, <u>Paramount – Liard East – Acknowledgement – 2022 Annual Water Licence Report – Jun 29 _ 23</u>, <u>Paramount – Liard West – Acknowledgement – 2022 Annual Report – Oct 5 _ 23</u>.

Paramount is required to address all reporting requirements listed in Schedule 1, Condition 1 of the Water Licenses regardless of the requirements of other regulatory entities. Please ensure Paramount is using the correct Schedule for the correct file number as they do vary with each individual Licence.

Paramount should review the decision letters and review summary tables for the 2022 Annual Water Licence Reports (links in footnote) and address all the directives the Board directed Paramount to fulfill when completing their Annual Reports.

Please direct questions or concerns regarding this letter to Chris Hotson, Regulatory Manager, via email.

Yours sincerely,

Chris Hotson

Regulatory Manager

BCC'd to: Paramount Distribution List

Danielle Rogers – Inspector, GNWT-ECC Wendy Bidwell – Inspector, GNWT-ECC