

**PARAMOUNT ENERGY TRUST
Distribution Reinvestment Authorization Form**

Relating to the Distribution Reinvestment and Optional Trust Unit Purchase Plan (the "Plan") of Paramount Energy Trust ("PET") dated December 17, 2003 (as amended from time to time).

To be completed by the REGISTERED HOLDER of trust units of PET.

If you are a BENEFICIAL OWNER of trust units of PET and wish to participate in the Plan, contact your broker, investment dealer, financial institution or other nominee who holds your units to provide instructions on how you would like to participate in the Plan, including participation as to less than 100 percent of your units.

If you are a REGISTERED HOLDER of trust units of PET and wish to participate in the Plan as to less than 100 percent of your trust units, you should arrange to transfer registration of such units to a broker, investment dealer, financial institution or other nominee who can accommodate such arrangements.

DISTRIBUTION REINVESTMENT AUTHORIZATION

Please complete this section, sign below and return this form to Computershare Trust Company of Canada at the address or facsimile number set forth below if you wish to reinvest your distributions in accordance with the Plan and have the additional units of PET issued on such reinvestment held for your account under the Plan.

I have received and read a copy of the text describing the Plan. I hereby confirm that I am eligible to participate and hereby apply to participate in the Plan and direct PET to forward to Computershare Trust Company of Canada, as Agent under the Plan, all cash distributions paid on all units of PET registered in my name now or in the future, and direct Computershare Trust Company of Canada to reinvest such distributions, together with cash distributions on units held by the Agent for my account under the Plan, in additional units of PET all in accordance with the distribution reinvestment component of the Plan and subject to proration and any applicable withholding tax as provided therein.

If you are a broker, investment dealer, financial institution or other nominee holding units on behalf of one or more beneficial owners of the units, you hereby make the following declaration.

Declaration by Nominee Holder: I am a broker, investment dealer, financial institution or other nominee holding units on behalf of one or more beneficial owners of the units. I hereby certify and declare that each of the one or more beneficial owners is eligible to participate in the Plan.

SIGNATURE OF REGISTERED UNITHOLDER

NAME OF REGISTERED UNITHOLDER
(PLEASE PRINT)

DATE: _____

ADDRESS INCLUDING MUNICIPALITY OF RESIDENCE

HOLDER ACCOUNT # (if known): _____ TELEPHONE #: _____

Note: Authorization Forms must be received not less than 3 business days prior to a distribution record date in order to be effective for the monthly distribution payment date to which such record date relates. Authorization Forms received less than 3 business days prior to a distribution record date will not be effective until the next month.

For further information, please contact:

COMPUTERSHARE TRUST COMPANY OF CANADA
100 University Avenue
9th Floor
Toronto Ontario M5J 2Y1
Attn: Dividend Reinvestment Department
Fax: 416.263.9394
Toll Free: 1.800.564.6253

or
PARAMOUNT ENERGY OPERATING CORP.,
Administrator of Paramount Energy Trust
3200, 605 5 Ave. SW
Calgary, Alberta T2P 3H5
Attention: Investor Relations
Telephone: 403.269.4400
Fax: 403.269.4444