

June 17, 2008

Paramount Energy Operating Corp.  
3200, 605-5<sup>th</sup> Ave SW  
Calgary, Alberta  
T2P 3H5

Attention: Tim Malo

Dears Sirs:

Re: Lease Offering – June 17, 2008  
Viking Kinsella/Killam Areas, Alberta

Pursuant to your letter of offering for certain parcels in the referenced area,  
\_\_\_\_\_ hereby makes the following offer:

Parcel #\_\_\_\_

Land Description:

Total Bid price for Initial Consideration: \$ \_\_\_\_\_

Plus annual rentals on a paid up basis at \$3/net acre x 3 years = \$ \_\_\_\_\_

Total: \$ \_\_\_\_\_

We acknowledge that we have reviewed the form of lease and accept its terms including the following:

Primary Term: 3 years

Lessor Royalty: 20%

We also agree that the Lessor royalty of 20% shall be paid in addition to any existing royalties payable to any third party. Furthermore, we represent that we have conducted the necessary searches and have not relied on any data provided by Paramount Energy Operating Corp.

We also acknowledge that Paramount reserves the right to reject any or all bids and that the highest bidder may not be chosen as the successful bidder.

Yours truly,