



OIL AND GAS COMMISSION

February 27, 2006

9030-2800-59240-06
OGC - 06074

Scott Thiessen
Reservoir Engineer
EnCana Corporation
150, 9th Avenue S.W.
P.O. Box 2850
Calgary AB T2P 2S5

Dear Mr. Thiessen:

RE: GOOD ENGINEERING PRACTICE APPROVAL (AMENDMENT #4)
DEEP BASIN - CADOMIN FORMATION

The Commission has reviewed your application dated February 6, 2006 requesting an amendment to the Good Engineering Practice (GEP) for the Cadomin formation in the Cutbank/Tupper area.

Please note that the Commission has re-designated the area to be within the Deep Basin field for gas production from the Cadomin "A" pool.

Attached is a GEP scheme approval amendment. The Approval 04-06-028 (Amendment #4) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

Please note that only the approval area in the southern blocks of 93-P-8 has been amended and enlarged by three gas spacing units (GSU's), all other conditions of the GEP remain unchanged.

The Commission is not prepared to amend the approval area by adding 20 GSU's in the northern blocks of 93-P-8 and 93-P-9 due to a lack of geological information at this time and possibility of water in the Cadomin formation. It is noted that you propose to drill one vertical pilot in this area. Once the well has been successfully completed the Commission would be prepared to enlarge the approval area to allow the drilling of horizontal legs near the vertical pilot.

Should you have any questions, please contact Richard Slocomb at (250) 952-0366.

Sincerely,

Richard Slocomb P. Eng.
Acting Director
Resource Conservation Branch

Approval Letters to Industry
GEP, SWD, Concurrent Prod, Pressure
Maintenance, Waterflood, Etc.

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Attachment

RESOURCE CONSERVATION BRANCH

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APPROVAL 04-06-028 (AMENDMENT #4)

THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of EnCana Corporation (EnCana) for producing the Deep Basin - Cadomin "A" pool gas wells without spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves an amendment to the GEP scheme of EnCana for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from EnCana to the Commission dated February 6, 2006.

The scheme approval of November 3, 2005 (Amendment #3) is hereby amended, subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

93-P-1:

Block I – units 76-80, 86-100

Block J – units 71, 81, 91-93, 96, 97

93-P-7:

Block I – units 71-79, 81-89.

93-P-8:

Block A – units 1-10, 14-20, 24-30, 38-40, 48-50, 58-60, 68-70, 78-80, 88-90, 98-100

Block B – units 1-3, 6, 7, 11-17, 21-27, 31, 34-41, 44-100

Block C – units 31, 41, 51, 61, 71-75, 81-85, 91-95

Block E – units 91-93

Block F – units 1-5, 11, 14, 15, 21, 24, 25, 31-33, 36, 37, 41-43, 46, 47, 51-53, 61-63, 71-75, 81-85, 92-100

Block G – units 1-10, 12-20, 22-30, 38-40, 48-50, 58-60, 68-70, 78-80, 88-90

Block H – units 8-10

Block K – units 2-10, 20, 30, 40, 50

Block L – units 1-3, 11-13, 21-23, 31-37, 41-47, 52-59, 62-69, 76-80, and 86-90.

2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the scheme area are not completed nearer than 250 m to the sides of the approved scheme area.
3. The gas wells within the scheme area may be produced without individual well allowable restrictions.
4. This approval may be modified or rescinded at a later date if deemed appropriate.



Richard Slocomb
Acting Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 27th day of February 2006.