February 28, 2005

David MacDougall Group Lead, Gunnell EnCana Corporation 150 9th Avenue SW P.O. Box 2850 Calgary AB T2P 2S5 4470-8200-59240-06 OGC - 05058

AEC Project (02)

Dear Mr. MacDougall:

RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #7
GUNNELL CREEK - JEAN MARIE "A" POOL

Attached is a Good Engineering Project (GEP) scheme approval amendment for the subject pool, as requested in your applications of January 25 and February 15, 2005.

The Approval 98-06-003 (Amendment #7) is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. The application dated January 25 requested a significant northern extension of the area, while the application of February 15, 2005 added 4 contiguous gas spacing areas to the south-east of the previously approved area, in 94-I-13. Please note that only the approval area is enlarged, all other conditions remain unchanged.

This approval is intended to allow operational flexibility and to allow the drilling of additional gas wells without spacing and target considerations for maximization of gas recovery. The approval names several Jean Marie pools currently mapped in the Cabin, Tsea and Petitot River fields as well. The OGC intends to amalgamate these into the Gunnell Creek – Jean Marie "A" pool.

The amended area includes rights held under various Drilling Licences (DLs). Lease selections are required prior to production from wells drilled within these DLs.

GEP, SWD, CONCURRENT PROD. Sincerely, PRESSURE MAINTENANCE, WATERFLOOD, ETC. Wellfile (originals) 59240 Daily Craig Gibson, P. Eng. Resource Revenue S. Chicorelli Director R. Stefik Resource Conservation Branch G. Farr R. Slocomb **RGS** D. Krezanoski. Attachment

RESOURCE CONSERVATION BRANCH

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APPROVAL 98-06-003 (Amendment #7)

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 Gunnell Creek - Jean Marie "A", Cabin - Jean Marie "A", Tsea - Jean Marie "A" and "C", and Petitot River – Jean Marie "A" gas pools without well 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 for drilling wells without spacing and target restrictions, as such scheme is described in

an Application to the Commission dated January 25, 2005 and February 15, 2005.

The scheme approval of May 28, 1998, amended October 3, 2001, September 5, 2002, July 7, 2003, October 22, 2003, June 1, 2004 and September 21, 2004 is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

94-I-12: Block K – units 56-59, 66-69, 76-79, 86-89, 96-99

94-I-13: Block A – unit 100

Block B – units 58-60, 68-70, 74, 75, 78-80, 84, 85, 88-100

Block C – units 6-9, 12-19, 22-29, 32-37, 42-47, 51-57, 61-67, 71-77, 81-87, 91-97

Block F – units 1-7, 11-17, 21-27, 31-37, 41-47, 51-57, 61-67, 71-77, 81-87, 91-97

Block G – units 1-10, 12-20, 22-30, 32-40, 42-70, 72-80, 82-90, 92-100

Block H - unit 10, 60, 70

Block I - units 40, 50-100

Block J - units 2-10, 12-20, 22-100

Block K - units 1-7, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71-75, 81-85, 91-95

94-I-14: Block L – units 60, 70, 80, 90, 100

94-P-3: Block D – units 10, 18-20, 28-30, 38-40, 48-50, 58-60, 68-70, 78-80, 88-90, 98-100

Block E – units 8-10, 20, 30, 40, 50, 60, 70, 80, 90

94-P-4: Block A – units 1-100

Block B - units 1-100

Block C - units 1-5, 11-15, 21-25, 31-35, 41-45, 51-57, 61-67, 71-77, 81-87, 91-97

Block F – units 1-7, 11-17, 21-27, 31-37, 41-47, 51-57, 61-67, 71-77, 81-87, 91-97

Block G - units 1-100

Block H – units 1-73, 78-83, 88-90, 100

Block I – units 10, 20, 30, 40, 50, 60, 70

Block J – units 1-70, 74-80, 84-90, 94-100

Block K – units 1-7, 11-17, 21-27, 31-33, 36, 37, 41-43, 46, 47, 51-53, 61-63, 71-77,

81-87, 91-97

- 94-P-5: Block B units 4-10, 20, 30, 40, 50
 - Block C units 1-7, 11-17, 21-27, 31-37, 41-47, 52-57, 62-67, 74-79, 84-89, 92-99

Block E - unit 91

Block F – units 2-9, 11-19, 21-29, 31-39, 41-49, 52-59, 62-69, 72-79, 82-89, 92-100

Block G - units 20, 30, 40, 50

Block K – units 2-10, 12-20, 22-30, 32-40, 42-50, 52-60, 62-70, 72-80, 82-90, 92-100

Block L units 1, 11, 21, 31, 41, 51, 61, 71, 81, 91

94-P-12: Block C – units 2-10, 12-20, 22-30, 34-37, 44-47, 54-57, 64-67, 74-77, 80, 84-87, 90, 94-100

Block D - units 1, 11, 21, 71, 81, 91

Block E – units 1, 11, 21, 31, 41, 51, 61, 71, 81, 91

Block F – units 4-10, 14-20, 24-30, 34-40, 44-50, 54-60, 64-70, 74-80, 84-90, 94-100

Block K – units 4-10, 14-17, 24-27, 34-40, 44-50, 54-60, 64-70, 74-80, 84-90, 94-100

Block L - units 1, 31, 41, 51-55, 61-65, 71-75, 81-85, 91-95

94-P-13: Block C – units 4-10, 14-20, 24-30, 34-40, 44-50, 54-60, 64-70, 80, 90, 100

Block D – units 1-5, 11-15, 21-25, 31-35, 41-45, 51-59, 61-69, 71-79, 81-89, 91-100

Block E – units 1-10, 14-20, 24-30, 34-40, 44-50, 54-60, 64-70

Block F - unit 1

94-O-16: Block A - unit 91

Block H – units 1, 11, 21, 31-33, 41-43, 51-55 and 61-65.

- 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 area.
- 3. The gas wells within the project area may be produced without individual well allowable restrictions.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

Craig Gibson

Director

Resource Conservation Branch Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 28 day of February, 2005.