



OIL AND GAS COMMISSION

April 18, 2006

4700-8200-59240-06
OGC - 06148

Januar Wirawan
Reservoir Engineer
Gunnel Sub Business Unit - Helmet Area
EnCana Corporation
150 - 9th Avenue SW
PO Box 2850
Calgary AB T2P 2S5

Dear Mr. Wirawan:

**RE: GOOD ENGINEERING PRACTICE APPROVAL AMENDMENT
HELMET - JEAN MARIE "A" POOL**

The Commission has reviewed your applications dated March 8, 2006 requesting Good Engineering Practice (GEP) scheme approvals for producing the Jean Marie formation gas from the Helmet/Pesh area and Helmet North area.

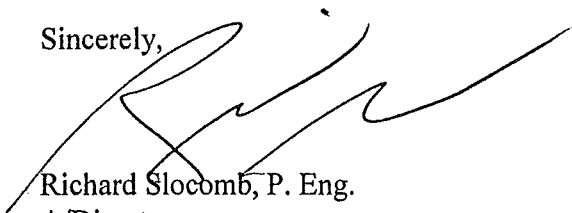
Due to extensive development drilling, the Commission has amalgamated the Helmet, Helmet North, Midwinter and Peggo-Pesh field Jean Marie pools into one large pool. The new field and pool name will be Helmet - Jean Marie "A". Your request enlarges and bridges two GEP Approvals 03-06-044 and 04-06-002 (EnCana Projects #9 and #10) granted to EnCana in the Peggo-Pesh field for production from the Jean Marie formation.

The oldest EnCana approval within the subject area is GEP Approval 03-06-044 granted on December 30, 2003, and as such this approval has been amended. Therefore, the Approval 03-06-044 (Amendment #1) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. Consequently, the GEP approval 04-06-002 granted on January 21, 2004, is hereby rescinded.

No objections were received following a publication of notice of the applications in the BC Gazette. The 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.

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

Sincerely,


Richard Slocomb, P. Eng.
A/Director
Resource Conservation Branch

Attachment

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

Copy 12

Daily
 Wellfile
 59240
 R. Slocomb
 R. Stefik
 G. Farr

E. O'Neill
 J. Merson
 D. Krezanoski
 L. Miller
 Resource Rev.
 S. Chicorelli

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0366 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 03-06-044 (AMENDMENT #1)

**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 Helmet Jean Marie "A" pool gas wells without spacing, target and production 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

two Applications from EnCana to the Commission dated March 8, 2006.

The scheme approval of December 30, 2003, is hereby amended, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:

94-P-1:

Block D - unit 100

Block E - units 10, 20, 30, 40, 50-100

Block F - units 34, 35, 44, 45, 52-60, 62-70, 72-80, 82-91, 98-100

Block G - units 54-57, 64-67, 74-79, 84-89,, 96-100

Block J - units 6-10, 16-20, 26-30

Block K - units 1, 8-11, 18-21, 28-30

Block L - units 1-30, 32-40, 42-50

94-P-2:

Block A - units 91-100

Block B - units 91-100

Block C - units 91-100

Block D - units 91-100

Block E - units 1-10, 12-20, 22-30, 32-40, 42-50, 58-60, 68-70, 78-80, 88-90

Block F - units 1-19, 21-29, 31-39, 41-49

Block G - units 1-57, 61-67, 71-77, 81-87, 91-97

Block H - units 1-100

Block I - units 1-50, 98-100

Block J - units 1-7, 11-17, 21-27, 31-37, 41-47, 52-60, 62-70, 72-80, 82-100

Block K - units 36-40, 46-75, 81-85, 91-95

Block L - units 31, 41, 51, 61

APPROVAL 03-06-044 (AMENDMENT #1)

94-P-3:

Block A - units 91-93

Block H - units 1-3, 11-13, 21-23, 31-33, 41-43, 51-53, 61-63, 71-73, 81-83

94-P-7:

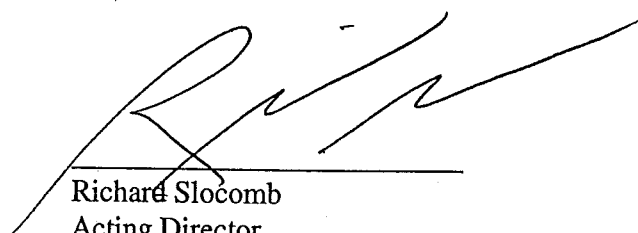
Block A – units 8-10, 20, 30, 38-40, 48-50, 58-60, 68-70

Block B - unit 1-31, 34-41, 44-57, 61-67, 76-79, 86-89, 98, 99

Block C - units 1-5, 11, 21, 31, 41

Block G – units 8, 9, 14-19, 24-29, 34-39, 44-49, 54-59, 64-69, 74-79 and 84-89.

2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the sides of the approved project 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.



Richard Slocomb
Acting Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 18th day of April 2006.