

December 9, 2009

9021-5000-59240-06

Cindy Chomiak Development Technologist 150 9th Avenue SW P.O. Box 2850 Calgary, Alberta T2P 2S5

Dear Ms. Chomiak:

RE: GOOD ENGINEERING PRACTICE APPROVAL HERITAGE – MONTNEY "A" POOL

Commission staff have reviewed your application, dated October 28, 2009, requesting Good Engineering Practice (GEP) approval for producing Montney gas in the regional Heritage area. The area of application has been designated as part of the Heritage – Montney 'A' pool by the Commission.

Attached is GEP Approval 09-06-036 (Encana Project #5), hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval is intended to allow the drilling and production of gas wells at increased density without regard for normal spacing and target areas for maximization of gas recovery.

No objections were received following public notice of the application on the OGC website.

Should you have any questions, please contact the undersigned at (250) 419-4421 or Travis Mercure at (250) 419-4448.

Sincerely,

Richard Slocomb, P.Eng. Supervisor, Reservoir Engineering Resource Conservation

Attachment

Resource Conservation 300 – 398 Harbour Rd. Victoria BC V9A 0B7

APPROVAL 09-06-036

THE PROVINCE OF BRITISH COLUMBIA <u>PETROLEUM AND NATURAL GAS ACT</u> DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Encana Corporation (Encana) for producing gas from a portion of the Heritage - Montney "A" pool 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 the GEP scheme of Encana as such scheme is described in

an Application from Encana to the Commission dated October 28, 2009, and related submissions.

This scheme is approved, subject to the conditions herein contained and, in particular:

- 1. The area of the scheme shall consist of:
 - 93-P-6: Block I units 91-95
 - 93-P-7: Block L unit 100
 - 93-P-10: Block D units 10, 18-20, 28-30, 40, 50, 60, 70, 80, 90
 - 93-P-11: Block A units 1-5, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71-75, 81-85
- 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 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 Supervisor, Reservoir Engineering Resource Conservation Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 9th day of December 2009.