

March 16, 2007 5170-4900-59240-06

C.L. Chomiak
Development Technologist
Foothills & Frontier Region
EnCana Corporation
150 – 9th Avenue SW
Calgary AB T2P 2S5

Dear Ms. Chomiak:

RE: GOOD ENGINEERING PRACTICE APPROVAL KELLY – DOIG "A" POOL

The Commission has reviewed the application dated November 27, 2006, and following submissions, requesting a Good Engineering Practice (GEP) scheme approval for producing the Kelly field – Doig "A" gas pool.

Initial well performances indicate variable reservoir quality within the application area, some wells exhibiting high gas rates while other spacing areas not being effectively drained by the existing wells. EnCana controls the Doig rights over the majority of the surrounding area.

Attached is a Good Engineering Practice (GEP) scheme Approval 07-06-010, hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. No objections were received following publication of notice of the application in the BC Gazette.

This approval is intended to allow the drilling and production of additional gas wells without spacing and target considerations for maximization of gas recovery, specifically targeting portions of the reservoir that would benefit from increased well density.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

Sincerely,

Doug McKenzie

Director

Resource Conservation Branch

Attachment

APPROVAL 07-06-010

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 Kelly Doig "A" pool gas wells without spacing and target restrictions.

NOW, THEREFORE, the Oil and Gas Commission (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 November 27, 2006 and related submissions.

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

1. The area of the project shall consist of;

93-P-1: Block G – units 92-95 Block J – units 2-5, 12-15, 22-25, 32-35, 42-45, 52-55 and 62-65.

- 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 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.

Doug McKenzie

Director

Resource Conservation Branch

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DATED AT the City of Victoria, in the Province of British Columbia, this 16th day of March 2007.