September 6, 2006

5852-2805-59240-06

Len Stevens Geologist EnCana Oil & Gas Partnership 150 – 9th Avenue SW P.O. Box 2850 Calgary AB T2P 2S5

Dear Mr. Stevens:

RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #3 MAXHAMISH LAKE - CHINKEH "A" POOL

Commission staff have reviewed your application, dated July 18, 2006, for Good Engineering Practice (GEP) scheme approval amendment, for the subject pool.

The attached Approval 99-06-012 (Amendment #3) is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. Please note that only the approval area has been altered, all other conditions remain unchanged.

The additional area consists of:

94-0-6:

Block J - units 20, 30, 38-40, 48-50, 56-60, 66-70, 78-80, 88-90

Block K - units 11-19, 21-29, 31-39, 41-49, 51-59, 61-69, 71, 76-80, 81, 86-90, 96-100

Block L - units 71, 81, 91

94-0-11:

Block C - units 6-10, 16-20, 26-30, 36-40, 46-50, 56-60, 66-70

Block D - units 1, 11, 21, 31, 41, 51 and 61.

The gas spacing consisting of units 94, 95-C and 4, 5-F/94-O-11 has been removed from the previously approved area, to reflect current ownership. Two spacing areas requested in this application have not been included, appearing to have limited potential for Chinkeh reservoir development based on current information.

This approval is intended to allow operational flexibility for the drilling of additional gas wells without spacing and target considerations, for maximization of gas recovery.

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

Sincerely,

Director

Resource Conservation Branch

Attachment

APPROVAL 99-06-012 (AMENDMENT #3)

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 Maxhamish Lake field Chinkeh "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 for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from EnCana to the Commission dated August 17, 1999, September 27, 2002, December 12, 2003 and July 18, 2006.

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

1. The area of the scheme shall consist of

94-O-6: Block J – units 20, 30, 38-40, 48-50, 56-60, 66-70, 76-80, 86-90, 96-100 Block K – units 11-19, 21-29, 31-39, 41-49, 51-59, 61-69, 71-100 Block L - units 71, 81, 91

94-0-11:

Block B - units 6-10, 14-20, 24-30, 34-40, 44-50, 54-60, 64-70, 72-80, 82-90, 92-100

Block C - units 1-75, 81-85, 91-93

Block D - units 1, 11, 21, 31, 41, 51, 61

Block F - units 1-3, 11-13, 21-23, 31-33, 41-43, 51-53, 61-63, 71-73, 81-83, 91-93

Block G - units 2-100

Block H - units 20, 30, 40, 50, 60, 70, 80, 90, 100

Block I - units 10, 20, 30, 40, 50, 58-60, 68-70, 78-80, 88-90, 98-100

Block J - units 1-19, 21-29, 31-39, 41-49, 51-59, 61-69, 71-79, 81-89, 91-99

Block K - units 1-3

94-0-14:

Block A - units 8-10, 18-20, 26-30, 36-40, 46-50, 56-60, 66-70, 76-80, 86-90, 96-100

Block B - units 1-9, 11-19, 21-29, 31-39, 41-49, 51-59, 61-69, 71-79, 81-89, 91-98

Block G - units 1-8, 11-18, 21-28, 31-37, 41-47, 51-57, 61-67, 71-75, 81-85, 91-95

Block H - units 6-10, 18-20, 28-30, 38-40, 48-50, 58-60, 68-70, 78-80, 88-90, 98-100

Block I - units 8-10 and

Block J - units 1-5.

APPROVAL 99-06-012 (AMENDMENT #3)

- 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.

Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 6th day of September 2006.