February 14, 2006

6140-4800-59240-06 OGC – 06054

Jeff Rudolf, MSc.,P.Eng. Reservoir Engineer EnCana Corporation 150 – 9th Avenue SW PO Box 2850 Calgary AB T2P 2S5 En Cana Project (08)

Dear Mr. Rudolf:

RE: GOOD ENGINEERING PRACTICE APPROVAL MONIAS – HALFWAY; SECTION 32-81-21 W6

Commission staff have reviewed the application, dated January 6, 2006, requesting Good Engineering Practice (GEP) scheme approval for development of the Monias field Halfway formation.

Attached is Approval 06-06-012 for the specified area of the subject pool, 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 additional gas wells without spacing and target considerations for maximization of gas recovery.

Please note that the off-target production penalty for the well ECA Monias 13-32-81-21 W6M (WA 16267) was waived by a Commission order dated February 13, 2006.

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

Sincerely, Approval Letters to Industry GEP, SWD, Concurrent Prod, Pressure Maintenance, Waterflood, Etc. Richard Slocomb, P. Eng. Copy 12 E. O'Neill Daily A/Director J. Merson Wellfile D. Krezanoski Resource Conservation Branch 59240 R. Slocomb L. Miller R. Stefik Resource Rev. Attachment G. Farr S. Chicorelli

APPROVAL 06-06-012

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 Monias Halfway formation 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 January 6, 2006.

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

1. The area of the project shall consist of:

Twp 81 Rge 21 W6M - section 32.

- 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.

Richard Slocomb

A/Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this Island day of February 2006.