

January 10, 2005

Derek McCoubrey, P.Eng. Sr. Exploitation Engineer EnCana Corporation PO Box 2850 Calgary AB T2P 2S5 6140-4800-59240-06 OGC - 05005

En Cana Project (02)

Dear Mr. McCoubrey:

RE: GOOD ENGINEERING PRACTICE APPROVAL AMENDMENT #1 MONIAS – HALFWAY "V" POOL

Attached is a Good Engineering Project (GEP) scheme approval amendment for the subject pool, as requested in your application of November 18, 2004.

The Approval 04-06-011 (Amendment #1) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. Please note that only the approval area has been enlarged, all other conditions remain the unchanged.

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

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

Sincerely,

Craig Gibson, P. Eng.

Director

Resource Conservation Branch

Attachment

Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.

Copy 9

| 00 | y 9 |
|----|----------------------|
| | Wellfile (originals) |
| | 59240 |
| | Daily |
| | Resource Revenue |
| | S. Chicorelli |
| | R. Stefik |
| | G. Farr |
| | R. Slocomb |
| | D. Krezanoski |
| | |

APPROVAL 04-06-011 (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 Monias Halfway "V" 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 an amendment to the GEP scheme of EnCana as such scheme is described in

an Application from EnCana to the Commission dated November 18, 2004.

The scheme approval of January 29, 2004, is hereby amended, subject to the conditions herein contained and, in particular:

- 1. The area of the project shall consist of sections 11, 12, 13 and 14-82-23 W6M.
- 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.

Craig Gibson

Director

Resource Conservation Branch

Schrom for

DATED AT the City of Victoria, in the Province of British Columbia, this 10 day of January 2005.