

June 16, 2006

6140-4800-59240-06

Jeff Rudolf, M.Sc., P.Eng. Reservoir Engineer EnCana Corporation 150 9th Avenue SW PO Box 2850 Calgary AB T2P 2S5

Dear Mr. Rudolf:

RE: GOOD ENGINEERING PRACTICE APPROVAL MONIAS – HALFWAY "X" POOL

The Commission has reviewed the application dated May 8, 2006 requesting a Good Engineering Practice (GEP) scheme approval for producing gas from the Halfway formation of the Monias area.

The Commission has mapped the area of application to be within the Monias field, Halfway "X" gas pool.

Attached is a Good Engineering Project (GEP) scheme approval for a portion of the subject pool. The Approval 06-06-043 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

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,

Doug McKenzie

Director

Resource Conservation Branch

Attachment

APPROVAL 06-06-043

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 "X" 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 May 8, 2006.

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

- 1. The area of the project shall consist of sections 35-82-23 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.
- 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 This approval may be modified or rescinded at a later date if deemed appropriate.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

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