



January 17, 2008

7770-8200-59240-06

Jamie Solland
Landman, Fort Nelson Business Unit
EnCana Corporation
150 - 9th Avenue SW
P.O. Box 2850
Calgary AB T2P 2S5

Dear Ms. Solland:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #5
SIERRA - JEAN MARIE "A" POOL**

Commission staff have reviewed your application, dated October 29, 2007, for amendment to Good Engineering Practice (GEP) scheme approval in the South Sierra/Sahtaneh area.

The Commission's geological interpretation places the requested area in both the Gunnell Creek - Jean Marie "A" and Sierra - Jean Marie "A" pools. Therefore, the proposed area has been split in two parts, with seven gas spacing areas added to the existing Sierra GEP approval and the remainder incorporated into the Gunnell Creek GEP approval. Also, the Sahtaneh GEP area has been incorporated in the Gunnell Creek GEP approval.

Approval 00-06-001 (Amendment #5) is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. The approval area has been enlarged, however, all other conditions remain unchanged. The specific area of addition in the Sierra GEP approval is;

94-I-14	Block D	Units 96-99
	Block E	Units 6-9, 16-19, 26-29, 36-39, 46-49, 58, 59, 68 and 69.

No objections were received following posting of a notice of this application on the OGC website. This approval is intended to allow the drilling of wells without spacing and target consideration for maximization of gas recovery. The approval area includes the Jean Marie formation currently mapped in the Kotcho Lake East field as well. It is the expectation of the OGC that continued development will result in amalgamation into the Sierra – Jean Marie "A" pool.

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

Sincerely,

Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering

Attachment

RESOURCE CONSERVATION

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APPROVAL 00-06-001 (AMENDMENT #5)
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 Sierra Jean Marie "A" pool and Kotcho Lake East Jean Marie "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 amends the GEP scheme for drilling horizontal wells without spacing and target restrictions, as such scheme is described in

an Application from EnCana to the Commission dated October 29, 2007.

The scheme approval of May 26, 2006 (Amendment #4) is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:

94-I-11:

Block F - unit 76, 77, 86, 87, 91, 96-99

Block G - units 98-100

Block J - units 8-10, 18-20, 28-30, 34-40, 44-50, 54-60, 64-70, 74-80, 84-90, 98-100

Block K - units 1, 6-9, 11-39, 41-49, 51-59, 61-69, 71-79, 81-89, 91, 94-100

Block L - units 11, 18, 19, 21, 28, 29, 36-39, 46-49, 56-59, 66-69, 72-79, 82-89, 91-93

94-I-13:

Block A - units 11 and 21

94-I-14:

Block A – units 18-20, 28-30, 40, 50, 58-60, 68-70, 76-80, 86-90, 96-100

Block B - units 8-15, 21-25, 31-100

Block C - units 1, 4-10, 16-20, 26-39, 41-49, 51-100

Block D - units 1-3, 11-30, 32-39, 42-49, 51-57, 61-67, 71-75, 81-85, 91-99

Block E - units 1-9, 11-19, 21-29, 31-39, 41-49, 51, 54-59, 61, 64-69

Block F - units 1-55, 60, 61-65, 70, 71-73, 81-83, 91-95

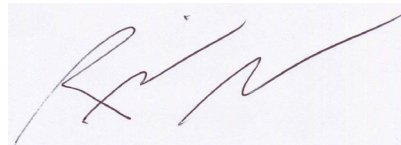
Block G - units 1-50, 58-60, 68-70, 72-80, 82-90, 92-100

Block H – units 6-10, 16-20, 26-30, 36-40, 46-50, 56, 57, 66, 67

Block J - units 2-10, 20, 30, 60, 70

Block K - units 1-5, 11-19, 21-29, 32-35, 42-45, 51-55 and 61-65.

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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 17th day of January 2008.