



OIL AND GAS COMMISSION

June 14, 2006

8120-5000-59240-06

Frank Palmai, RET, RPT (Eng)
Reservoir Engineering Analyst
Resource Play Development
EnCana Corporation
150 – 9th Avenue S.W.
PO Box 2850
Calgary AB T2P 2S5

Dear Mr. Palmai:

RE: GOOD ENGINEERING PRACTICE APPROVAL
SUNRISE – MONTNEY “A” POOL

The Commission has reviewed the application dated May 5, 2006 requesting a Good Engineering Practice (GEP) scheme approval for producing gas from the Montney formation in the Sunrise area.

The Commission has designated the gas pool under application to be the Sunrise – Montney “A” pool.

Attached is a Good Engineering Project (GEP) scheme approval for a portion of the subject pool. The Approval 06-06-042 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.

Sincerely,

Doug McKenzie
Director
Resource Conservation Branch

Attachment

RESOURCE CONSERVATION BRANCH

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APPROVAL 06-06-042

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 Sunrise – Montney “A” pool gas wells without spacing, target and production restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of EnCana for drilling wells without spacing and target restrictions, as such scheme is described in

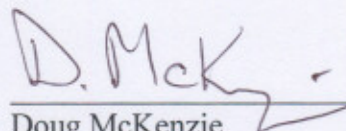
an Application from EnCana to the Commission dated May 5, 2006.

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

1. The area of the project shall consist of:

77-15 W6M – Section 31
77-16 W6M – Sections 35 and 36
78-15 W6M – Section 6
78-16 W6M – Sections 1 and 2.

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.



Doug McKenzie
Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 15th day of June 2006.