

April 8, 2004

7770-8200-59240-06
OGC – 04131

Vincent Zral, P.Eng.
Reservoir Engineer
EnCana Corporation
P.O. Box 2850
CALGARY, AB T2P 2S5

Dear Mr. Zral:

RE: GOOD ENGINEERING PRACTICE APPROVAL AMENDMENT #3
SIERRA JEAN MARIE "A" POOL

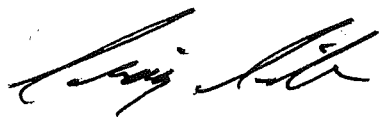
The Commission has reviewed your application dated December 5, 2003 wherein you requested an amendment to the Good Engineering Practice (GEP) scheme approval for the Sierra - Jean Marie "A" pool. The required letters of consent to amendment, from the affected registered interest lease holders, were received at this office on March 15, 2004.

Attached is Approval 00-06-001 (Amendment #3) for the application granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. This amendment application was advertised in two editions of the BC Gazette, with no objections received. The approval, expanding the approval area to the east, will allow the drilling of horizontal gas wells without regard for spacing and target regulations in order to optimize pool drainage and recovery.

Please note that this approval also encompasses the Kotcho Lake East field Jean Marie "A" pool, defined by two non-producing wells located at 57-H/94-I-14. It is expected that proposed delineation drilling will eventually result in the amalgamation of this pool with the subject Sierra Jean Marie "A".

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at (250) 952-0310.

Sincerely,



Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachment

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

Copy 9

<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59240
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	S. Chicorelli
<input type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	P. Attariwala
<input type="checkbox"/>	D. Krezanoski

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St, Victoria BC

APPROVAL 00-06-001 (AMENDMENT #3)
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 approves an amendment to 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 February 15, 2000, July 20, 2001, July 25, 2003 and December 5, 2003 .

This scheme is approved, 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, 18-21, 28-30, 36-39, 46-49, 56-59, 66-69, 72-79, 82-89, 91-93

94-I-12:

Block I - units 11 and 21

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, 26-100

Block D - units 1-3, 11-39, 41-49, 51-57, 61-67, 71-75, 81-85, 91-95

Block E - units 1-5, 11-15, 21-25, 31-35, 41-45, 51, 54-57, 61, 64-67

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

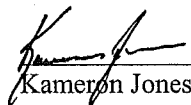
Block G - units 1-50, 58-60, 68-70, 72-80, 82-90, 92-100

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.



Kameron Jones
Deputy Commissioner
Oil and Gas Commission

DATED AT the City of Fort St John, in the Province of British Columbia, this 31st day of March 2004.