

OIL AND GAS COMMISSION

January 24, 2005

Derek McCoubrey, P.Eng. Sr. Exploitation Engineer EnCana Corporation 150 -9th Ave SW PO Box 2850 Calgary AB T2P 2S5 6140-4800-59240-06 OGC - 05020

AEC Project (02) "T" pool AEC Project (02) "U" pool

Dear Mr. McCoubrey:

RE: GOOD ENGINEERING PRACTICE APPROVALS

AMENDMENT REQUIREMENTS

MONIAS - HALFWAY "T" AND "U" POOLS

Following application, the Commission issued two Good Engineering Practice (GEP) scheme approvals on March 21, 2001 (copy attached) for the subject pools. These approvals are intended to allow the drilling and production of additional gas wells without spacing and target considerations for maximization of gas recovery.

Review by Commission staff would now indicate that the inclusion of section 22-81-22 W6M, in both approval areas, may have been in error. The rights to the Halfway zone in this section are held under Petroleum and Natural Gas Lease 11091, registered interest owners Devon Canada Corporation 75.0% and Canadian Natural Resources Limited 25.0%.

Under the current approvals, wells may be completed anywhere in section 22 without regard to spacing and target areas. EnCana Corporation may wish to apply to amend the existing GEP approvals to remove this area. Section 22-81-22 would then be eligible for a separate GEP approval, with the nominal 250m target area set-backs applied to each approval area.

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

Sincerely,	Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.
Craig Gibson, P. Eng. Director Resource Conservation Branch	Copy 9 Wellfile (originals) 59240 Daily Resource Revenue S. Chicorelli
Attachments	G. Farr R. Slocomb D. Krezanoski