



The **New** Encana:
the clear energy choice

Canadian Division | **CUTBANK RIDGE & BIGHORN**
Mike McAllister, Vice-President, Canadian Deep Basin
Business Unit

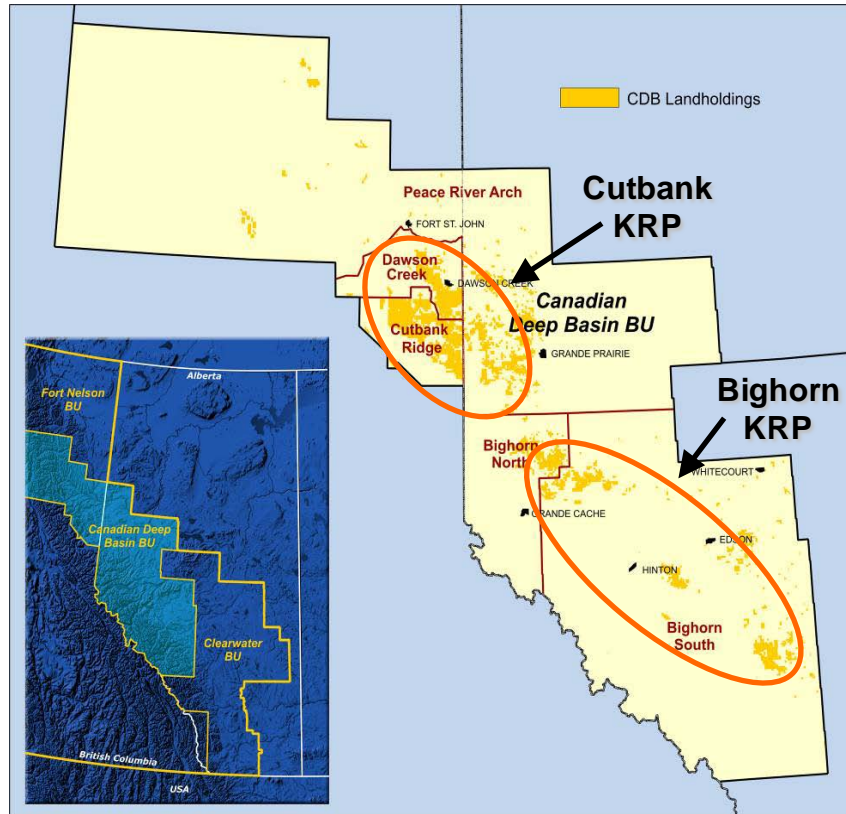


Canadian Deep Basin



Canadian Deep Basin

Overview

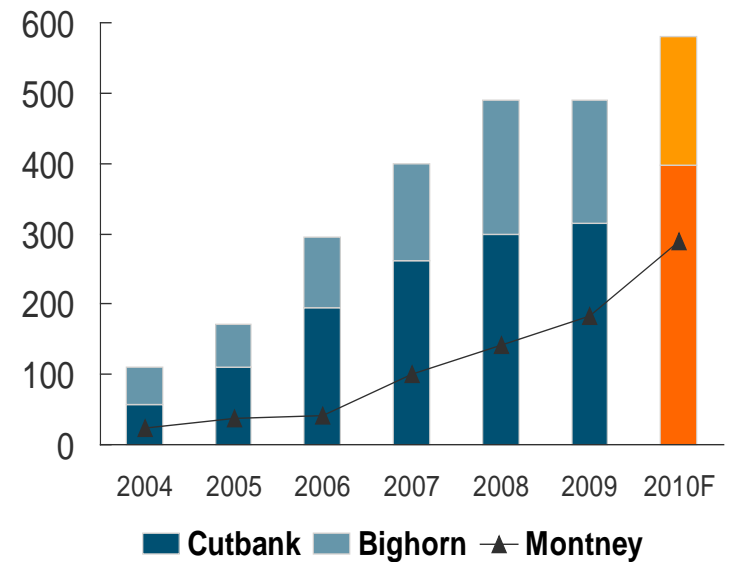


Land holdings

- ~1,872,000 net acres
- 2,925 net sections

Key Resource Play Production

MMcfe/d

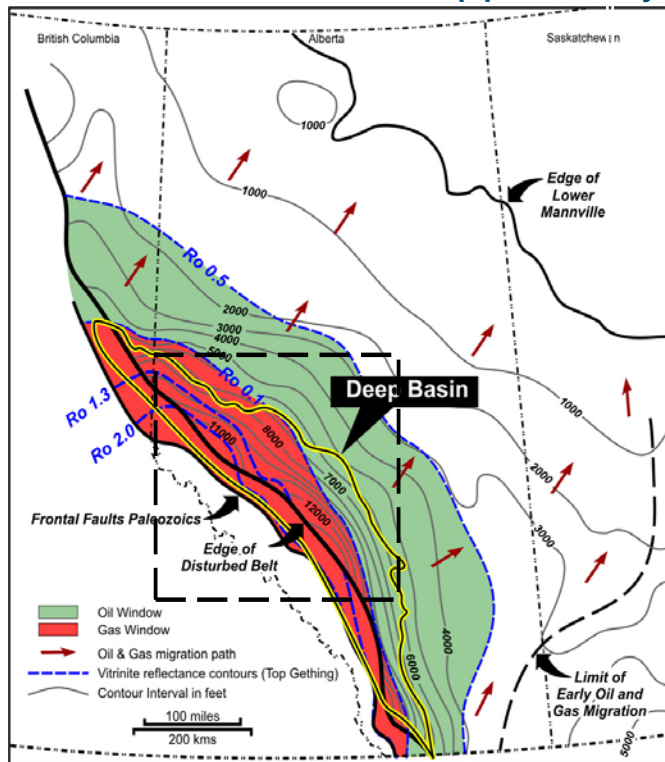


- ~1,800 producing wells
- 3,754 km of pipelines
- ~630 MMcf/d processing capacity

Canadian Deep Basin

Resource Area

Massive Resource Opportunity



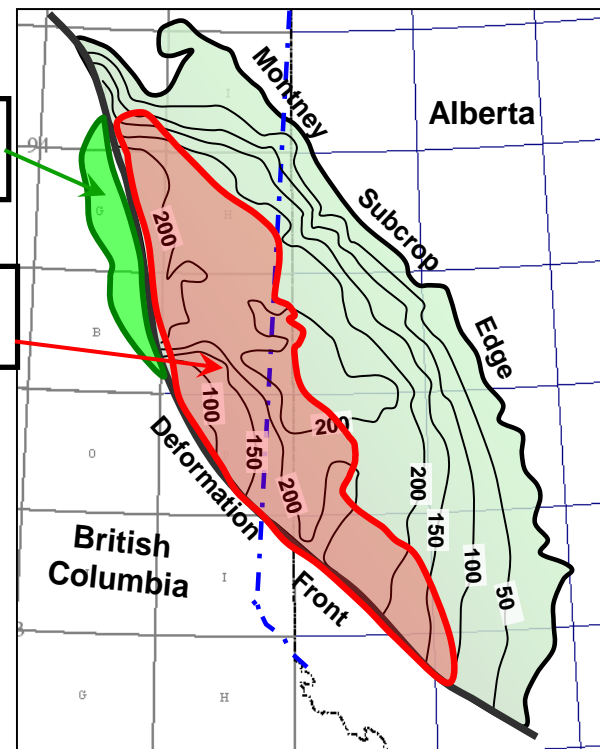
Bihorn KRP: Cretaceous

Montney Shale Gas Fairway ~ 40 Twp.*

Montney Tight Gas Fairway ~ 475 Twp.*

Total Resource

Extensive Location Inventory



Cutbank KRP: Montney

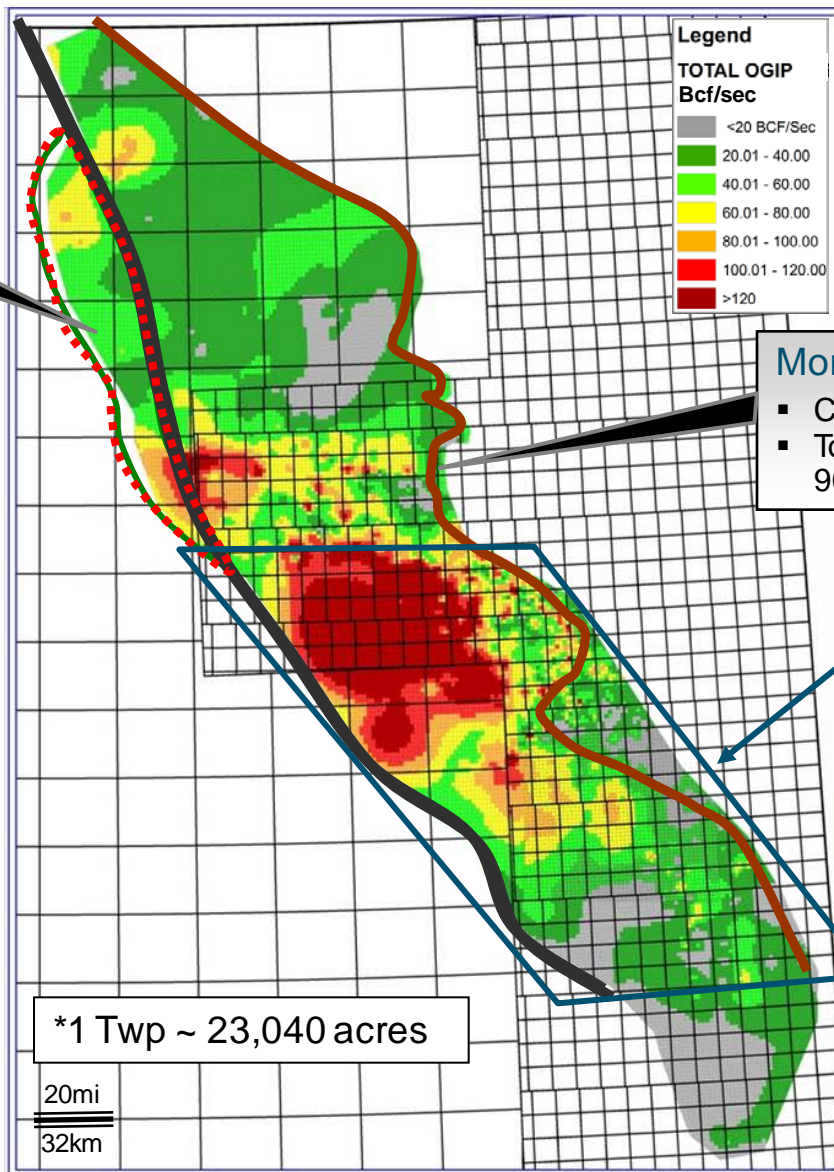
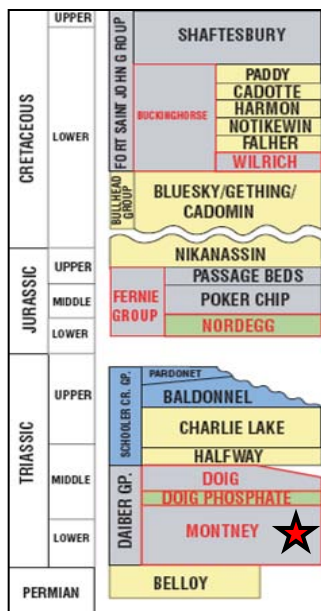
Reserves (Tcfe)		
1P	2P	3P
2.36	3.32	3.97
Economic Contingent Resources (Tcfe)		
1C	2C	3C
2.62	7.78	11.8

Montney Tight Gas/Shale Gas Play

Total Resource

Montney Shale Gas

- Covers 40 Twps.
- Total estimated NGIP 87 Tcfe*



Montney Tight Gas

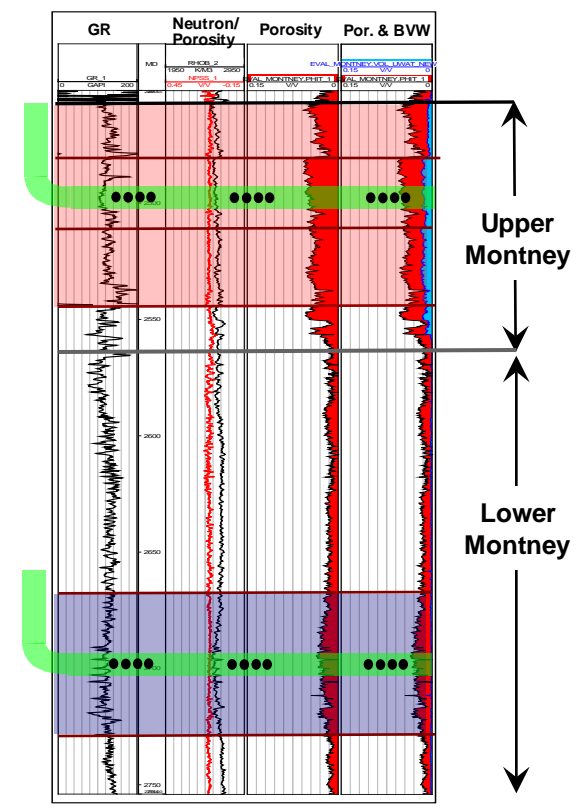
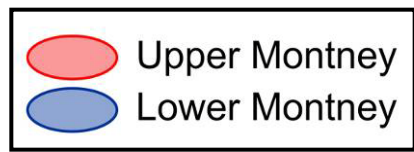
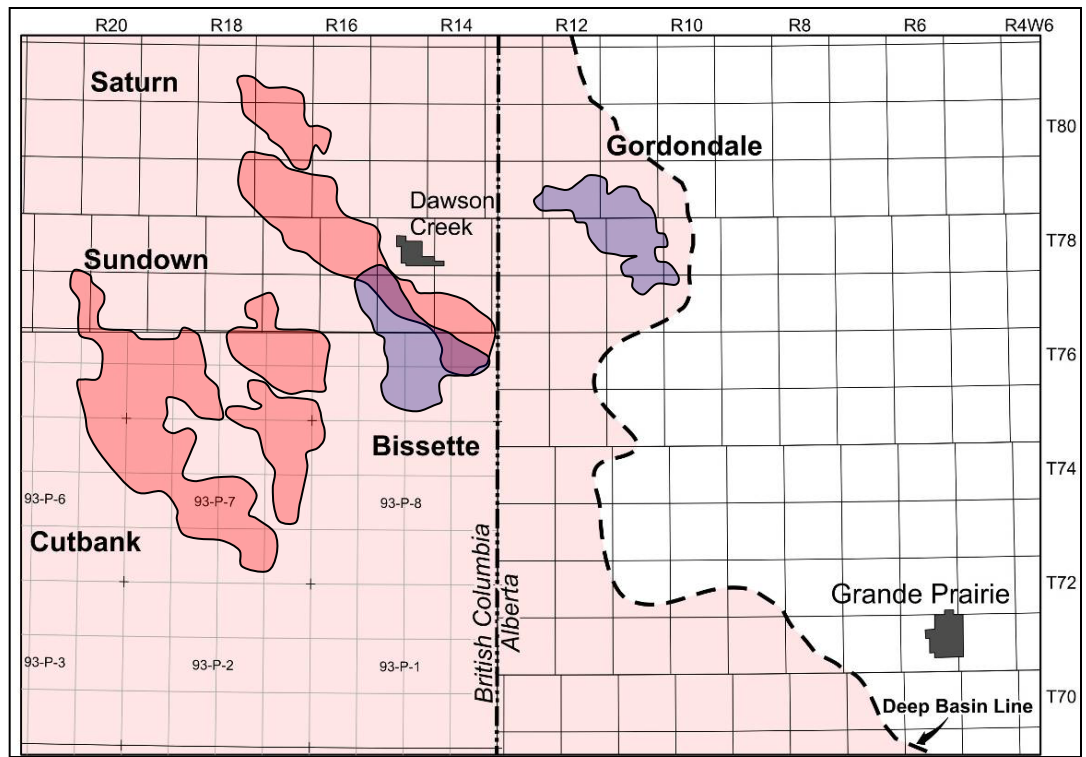
- Covers 475 Twps.
- Total mapped NGIP 900 Tcfe*

Highgraded Fairway: 170 Twp (~600 Tcf NGIP)

*Encana estimates

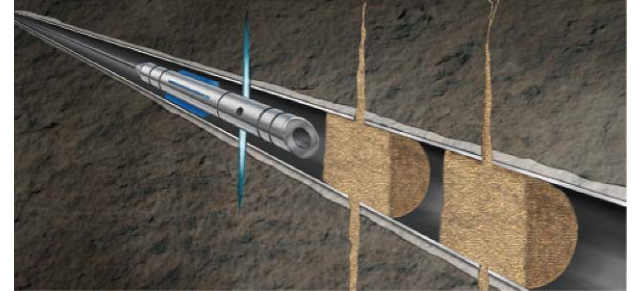
Cutbank Ridge

Portfolio of Montney Assets

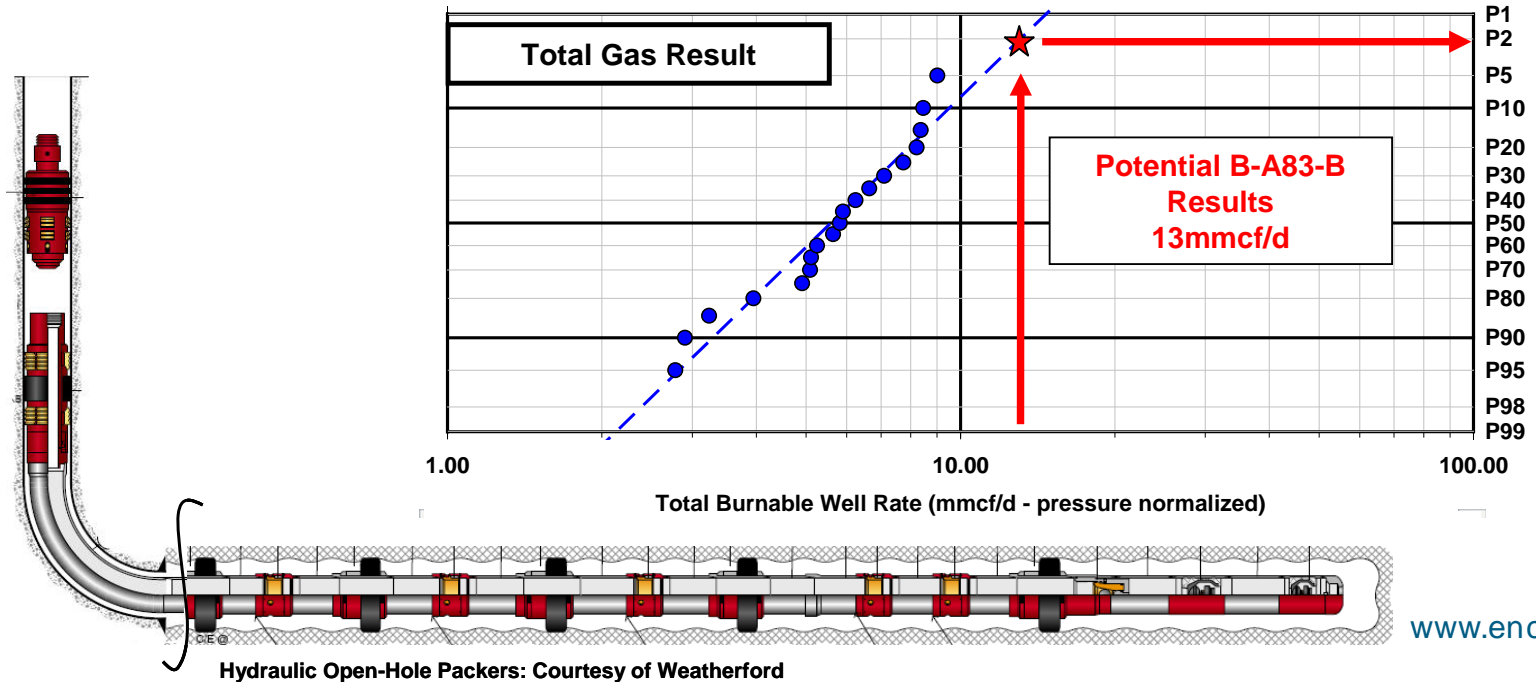


Cutbank Ridge

- Enhancing Horizontal Drilling Technology
 - Improved repeatability
 - Upper Montney Sand Plug Design
 - Lower Montney OH Packer Design
 - Increased HZ length & fracs per well (fpw)
 - Executed 2400m laterals with up to 14 fpw
 - Leveraging experience into other plays



Cobramax Sand Plugs: Courtesy of Halliburton

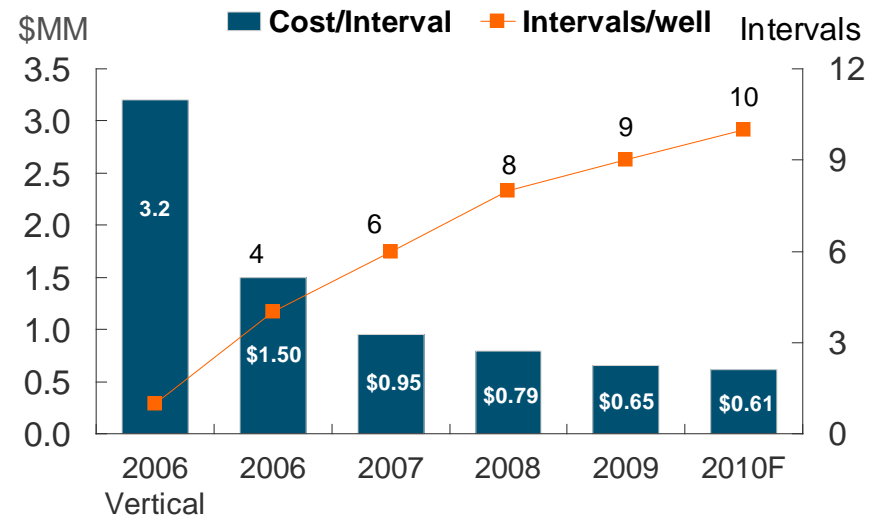


Cutbank Ridge

Cost Improvement Initiatives

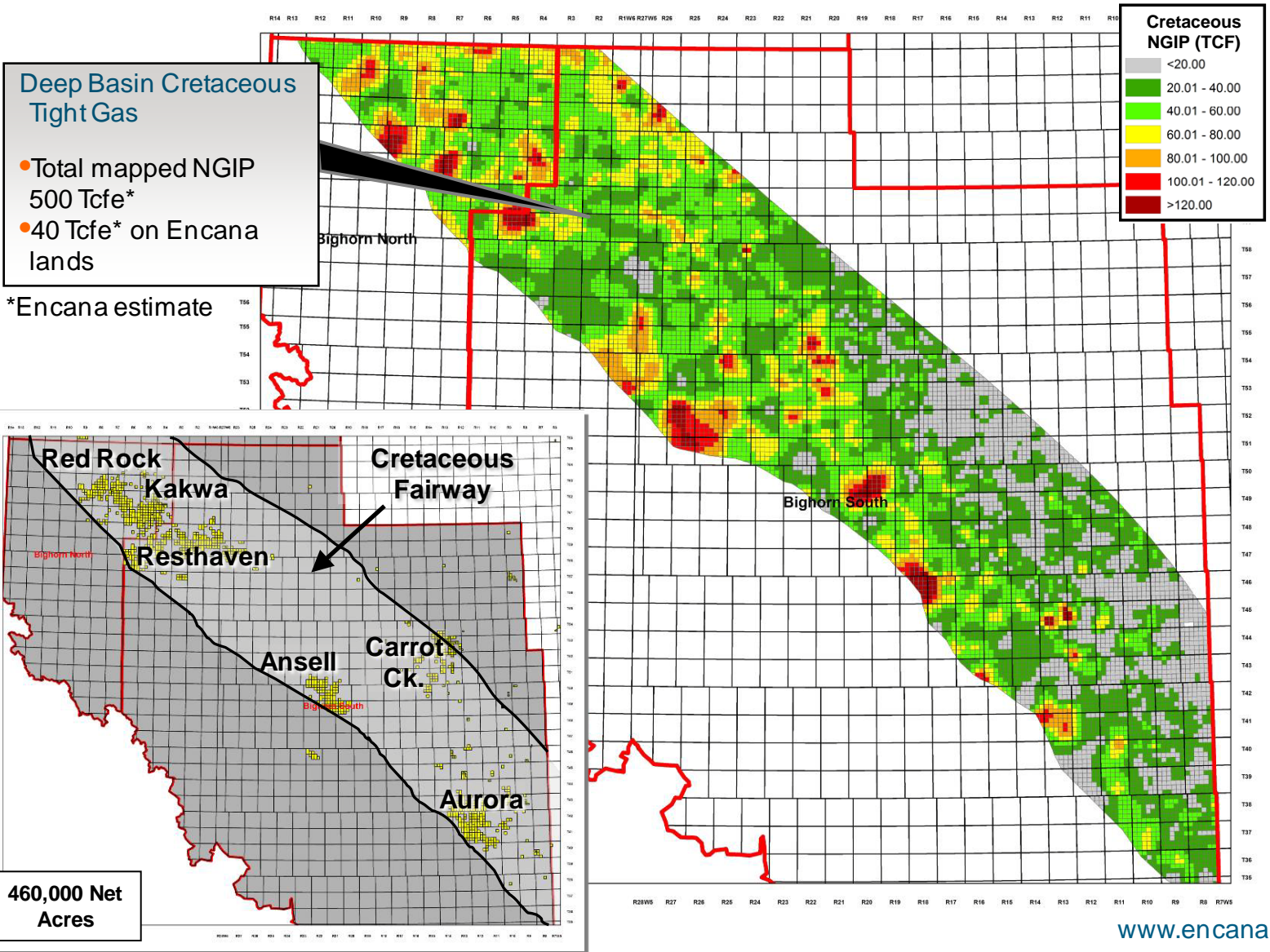
- Execution excellence
 - Load leveled-operations
 - Repeatable well designs
 - Optimizing frac design
 - Continuous improvement
- Drilled longer wells
 - More intervals/well
 - Economies of scale
- Lower service costs
- Net impact
 - Reduced per well costs by \$1 million in 2009
 - Lowered supply cost by 48% since 2006

Capital per Completed Interval Dawson Montney



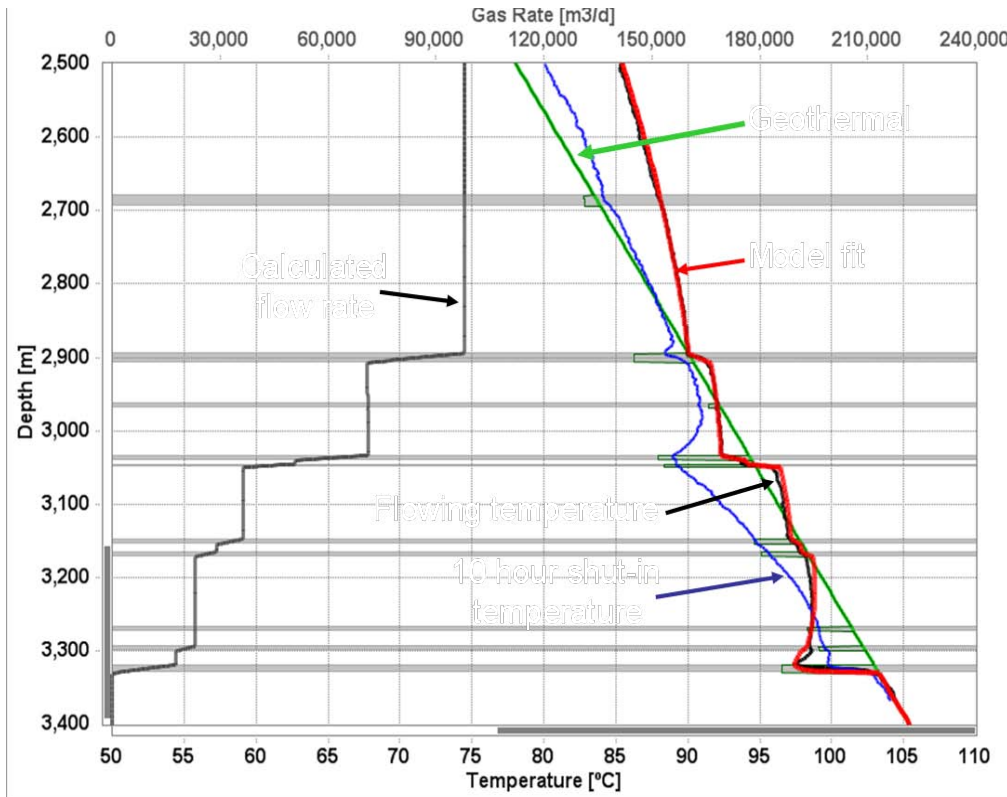
Bighorn

Total Cretaceous Resource

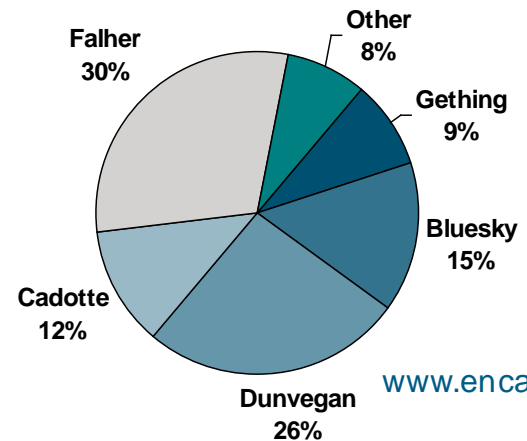
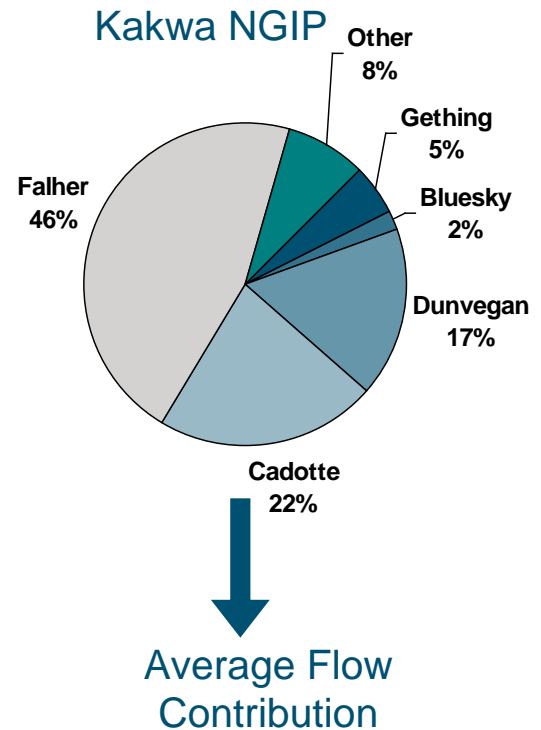


Distributed Temperature Sensor

Verifying Production from All Zones in Stack



- All pay zones contributing
- Increased confidence in resource capture
- Influence completion design

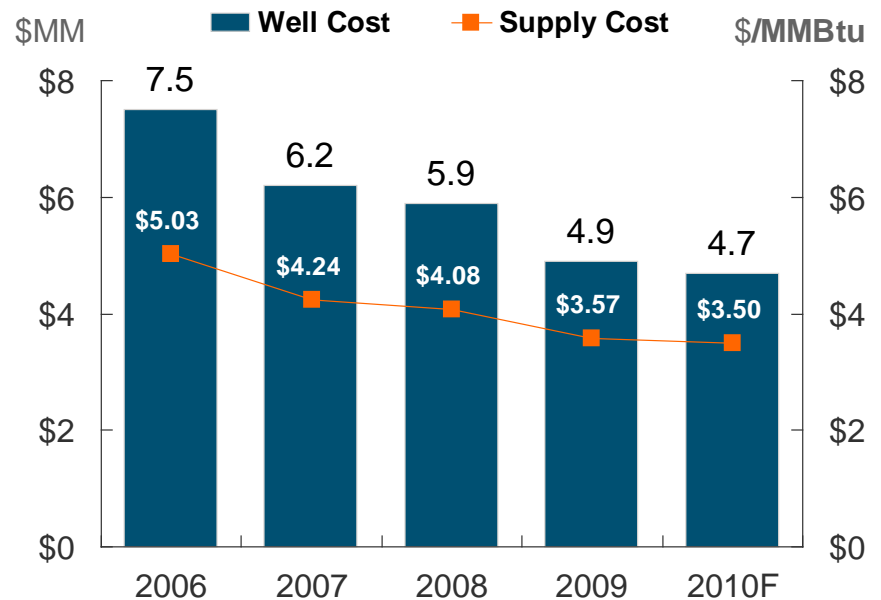


Bighorn

Cost Improvement Initiatives

- Execution excellence
 - Load leveled-operations
 - Concurrent completions
 - Optimized frac designs
 - Continuous improvement
- Lower service costs
- Net impact
 - Reduced per well costs by \$1 million in 2009
 - Lowered supply cost by 30% since 2006

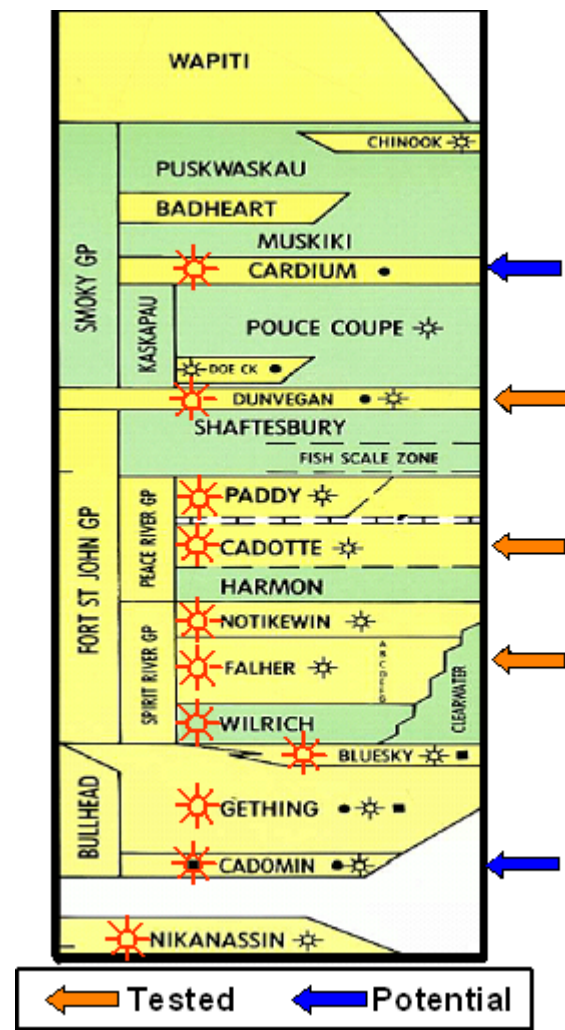
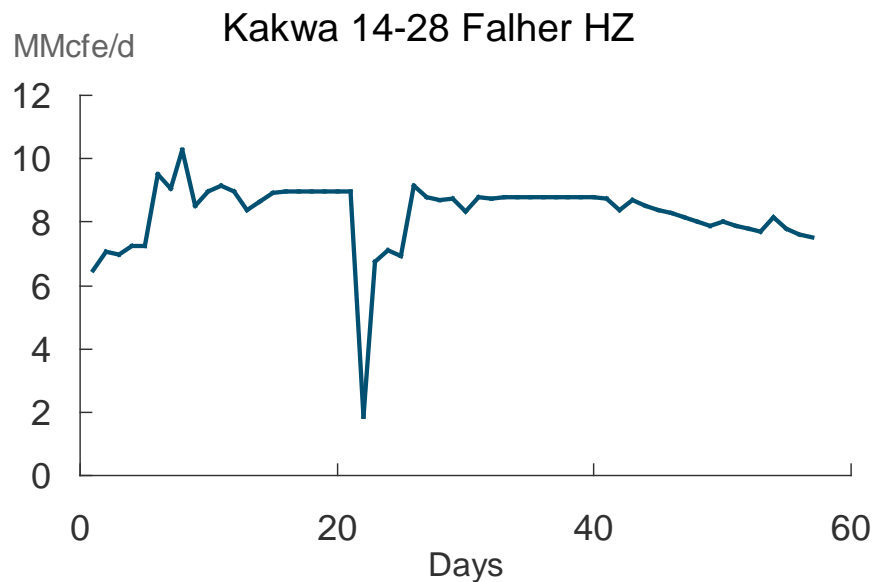
Vertical Well - DC&T Capital



Bighorn – The Next Phase

Horizontal Drilling

- Apply Cutbank KRP technology & experience
- Target thick sections of the stack
 - Dunvegan, Falher, Cadotte
 - >20 Bcf/Section NGIP
- AB deep gas royalty holiday
 - \$3+ MM credit for wells >4,000m MD
- Encouraging results to date



Canadian Deep Basin Disciplined Growth

- Resource knowledge
- Resource capture
- Supply cost reduction
- Execution excellence
- **Extensive Well Inventory**

KRP Production Growth

