

**EnCana Corporation
Expression of Interest (EOI)**

HARSH ENVIRONMENT JACK-UP DRILLING UNIT

BIDS Category: 0420
Reference: EOI D2007001PK
Issue Date: March 5th, 2007
Closing Date: March 26th, 2007

GENERAL

EnCana Corporation is proposing to develop its Deep Panuke gas prospect located offshore Nova Scotia. The Project Mobile Offshore Production Unit (MOPU), which will contain all of the main facilities, will be located approximately 250 km southeast of Halifax, approximately 47 km west of Sable Island and in 45 metres water depth. Development of the Project is subject to regulatory approval and EnCana Corporation project sanction.

The Deep Panuke Project will generate important activity and provide significant opportunities within Nova Scotia and Canada. In recognition of this, EnCana Corporation is committed to using and encouraging capable and competitive Nova Scotian and Canadian companies for the provision of the high quality goods and services required in these activities.

The Project MOPU will be capable of producing 8.5×10^6 m³/day (300 MMscfd) of natural gas from an initial five (5) subsea wells. Each subsea well will have its own dedicated flowline and umbilical. The Deep Panuke reservoir fluids contain H₂S and CO₂ which will be removed from the fluid stream during processing on the MOPU and disposed of into a dedicated subsea acid gas injection well. The sales ready product will be exported from the MOPU via an export pipeline.

SCOPE OF WORK

EnCana Corporation seeks qualified companies interested in providing a Jack-Up Drilling Unit capable of working in 30 – 65 meters of water offshore Nova Scotia, Canada. The work will consist of re-entering 4 existing wells and drilling one additional production well and one acid gas injection well. All wells will be equipped with a sub sea tree which will be run by the Drilling Unit. The re-entries will first be converted to subsea wellheads through the existing mudline suspension system prior to running the sub sea tree and then completing the well. The horizontal subsea production tree will be approximately (3m x 3m, 50MT). In addition a high pressure riser will be installed on the wellhead and tied back to a conventional surface BOP stack on the drilling unit. The drilling and completion program for the new drills will be similar without the conversion to subsea wellheads. Each re-entry and completion is expected to take between 35-40 days and the new wells are expected to take 90 and 60 days to drill and complete.

The Drilling Unit must be equipped with an 18-3/4" 10,000psi BOP system and be capable of modifications necessary to conduct an Annular Velocity Controlled (AVC) or floating mud cap drilling program. AVC drilling requires the installation of a rotating BOP (RBOP) and associated equipment between the BOP and Diverter Housing. The rig should also be equipped with a

riser tensioning deck and table capable of pulling at least 500 kips tension in the 762mm (30") conductor string or the 18-3/4" high pressure riser.

Responses to this Expression of Interest must contain the following information:

A: Availability, current location and present contract status of proposed Drilling Unit.

B: Drilling Unit specifications.

The Drilling Unit will be required to meet the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) Certificate of Fitness Regulations prior to commencing operations in Nova Scotia waters (see www.cnsopb.ns.ca).

PROJECT SCHEDULE

A Request for Quotation will be issued in May 2007. It is anticipated the Contract will be awarded following project sanction, which is anticipated 3rd/4th quarter 2007.

Early start of the drilling & completion program is scheduled for Q4 2008 with the latest start at the end of 2nd quarter 2009, one year before first gas.

GENERAL REQUIREMENTS

EOI respondents are required to have an implemented Quality Management System that complies with the requirement of the ISO-9000 series of Standards and Safety Management System(s). Respondents are also notified that the Work carried out on the Deep Panuke Project shall comply fully with Canada Nova Scotia Offshore Petroleum Board Regulations.

Respondents must submit a brief Company profile, contact details, key personnel for land and offshore support and a summary of related experience including local Nova Scotia capabilities.

EnCana is committed to providing opportunities for Nova Scotian and Canadian companies through employment, procurement and contracting on an internationally competitive basis, with full and fair opportunity for Nova Scotians and Canadians, and first consideration to Nova Scotians where competitive on a best value basis. Pre-qualified companies will be required to complete a Canada–Nova Scotia Benefits Questionnaire, and demonstrate their commitment to and compliance with EnCana’s requirements regarding Canada–Nova Scotia Benefits, during the tender process.

Interested firms are requested to demonstrate their capabilities and experience via a formal response to this EOI and the **Prequalification Questionnaire**, which can be obtained from BIDS Nova Scotia at the address provided below.

EnCana will select qualified bidders using the respondents to this EOI as a guide. Any eventual list of Bidders will be posted on BIDS Nova Scotia’s website.

EnCana is under no obligation to proceed with a Request for Proposal as a result of this call for Expressions of Interest. Only those respondents deemed acceptable by EnCana will be invited to participate in the event Proposals are solicited.

Expressions of Interest must be received on or before **Monday, March 26th, 2007, 1:00 PM** Atlantic time.

All inquires and Expressions of Interest must be clearly marked with the EOI reference number and should be directed to:

Ted Russell
Contract Procurement Specialist
EnCana Corporation
Deep Panuke Project
Suite 700, Founders Square
Halifax, NS
B3J 3M8
Fax: 902-425-2766
ted.russell@encana.com

IN ADDITION:
POTENTIAL SUPPLIERS FOR THIS PROJECT, IF THEY HAVE NOT ALREADY DONE SO,
MUST REGISTER THEIR COMPANIES BY CONTACTING BIDS NOVA SCOTIA AT:

Phone: 902-462-4824
1-800-397-0393
Email: bids@istar.ca