

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

ACID GAS INJECTION ENGINEERING SERVICES

BIDS Category: 9100, 9125
Reference: Z2007047PK
Issue Date: March 23, 2007
Closing Date: April 3, 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 44 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 engineering support for the suitability of using a multi-stage reciprocating compressor for acid gas dehydration and injection. The acid gas composition changes over the life of the reservoir with increasing amounts of methane (CH₄ from Produced Water Stripping). If an initial assessment suggests that interstage cooling for dehydration is not sufficient, or the inclusion of higher amounts of methane are not appropriate, then the engineering support will be re-focused to what options and technologies are best suited in this application.

Engineering support is required to determine; 1) If interstage cooling and water removal will dehydrate the gas sufficiently to prevent corrosion over the range of flow composition and rates, 2) To determine the injection compressor operating conditions (i.e. interstage conditions of temperature and pressure) required to sufficiently dehydrate the gas to prevent corrosion, 3) To determine if any phase envelope or corrosion problems could result with the potential co-mingling of hydrocarbon condensate with the acid gas downstream of the compressor, and 4) a budgetary estimate of compressor, power requirements, footprint, weight, utility requirements, and cost (all to +/- 25%).

Engineering assistance is required to determine the feasibility of conducting this work. The deliverables for this scope of work will include;

- 1) Confirmation of the technical feasibility of interstage cooling as the dehydration method over the range of acid gas rates and compositions. If it is not, with EnCana's approval, re-focus on an acceptable technology.
- 2) Development of the expected acid gas compressor interstage operating conditions (temperature and pressure) over the range of gas compositions over the reservoir life.
- 3) Investigate and report on any phase envelope complications that would effect the corrosion and the ability to inject a mixture of hydrocarbon condensate and acid gas (i.e. co-mingle acid gas and condensate downstream of the injection compressor).
- 4) Development of a budgetary (+/- 25%) estimate for the equipment:
 - a. Power requirements
 - b. Footprint size
 - c. Weight
 - d. Utility requirements, and
 - e. Cost

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

- A: Technical abilities to complete the work.
- B: Previous experience with similar designs.
- C: Estimated schedule to complete Scope of Work

PROJECT SCHEDULE

A Request for Proposal will be issued mid April 2007. It is anticipated the Contract will be awarded early May 2007.

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 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. Companies who have been invited to tender 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.

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. Respondents that qualify will be invited to participate in the event Proposals are solicited.

Expressions of Interest must be received on or before **Tuesday April 3, 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:

Janice D. Frost, C.P.P.
Procurement Analyst
EnCana Corporation
Deep Panuke Project
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B3J 3M8
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IN ADDITION:

Potential suppliers for this project, if they have not already done so, should register their companies by contacting BIDS Nova Scotia at:

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