

EnCana Corporation
Expression of Interest (EOI)

SUPPLY OF PRODUCTION TUBING - CORROSION RESISTANT ALLOY (CRA)

BIDS Category: 0110, 0125
Reference: EOI D2007014PK
Issue Date: April 17th, 2007
Closing Date: May 1st, 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

During this phase EnCana wishes to identify qualified companies for the supply of Corrosion Resistant Alloy (CRA) Production Tubing in the size and quantity required for the completion of the Deep Panuke production wells.

The tubing will be 7" OD 110 ksi Grade, with a current estimated weight of 26 lbs/ft. In addition to the 7" material, it is likely that a small percentage of 5 1/2" OD tubing will be required. The total quantity is estimated to be 17,500 – 18,000 metres.

Each respondent will be required to recommend a corrosion resistant metallurgy that shall be sufficiently robust (alloyed with Chromium, Nickel, Molybdenum etc.) to meet the design life of 15 years for the producing wells in accordance with the following production conditions.

- BHT: 123 °C (110 °C flowing at wellhead)
- BHP: 36.3 MPa=5264 psi
- CO₂: 3.5%; partial pressure @ BHP=184 psi=12.7 bar

- H₂S: 3000 ppm; partial pressure @ BHP=16 psi
- Gas Well Production
 - Gas: 85 MMscf/d
 - Water: 8000 bbls/d
 - GCR: 3.28 bbls/MMscf
- Water Analysis Data:
 - Cl: 55321 mg/l
 - HCO₃: 731 mg/l
- pH: 3.6 calculated for BHT well environment

Respondent's recommended metallurgy shall comply with "Petroleum and Natural Gas Industries - Materials for use in H₂S containing environments in oil and gas production," International Standard MR0175 / ISO 15156-3.

The Production Tubing will also require a yet to be determined threading profile. Respondents will be required to advise their capability with regards to threading of the proposed tubulars.

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.

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. 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 **Tuesday, May 1st, 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