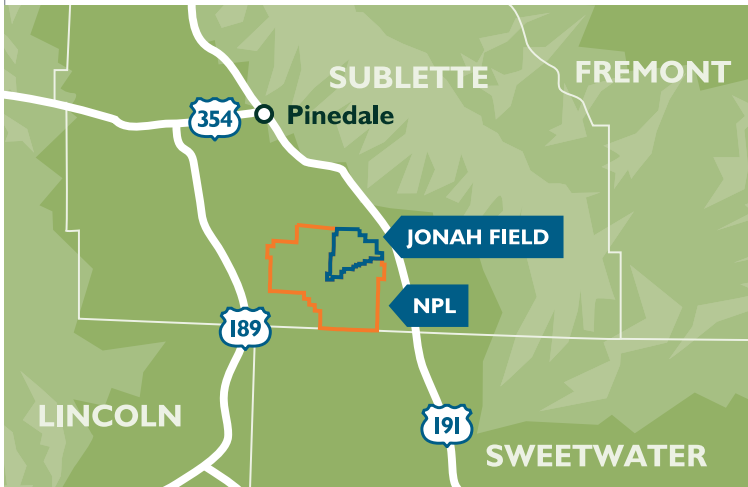


# The Normally Pressured Lance (NPL) natural gas development project will benefit Wyoming communities.



**The Normally Pressured Lance (NPL) Region encompasses 141,080 acres immediately south and west of the existing Jonah Field. Encana Oil & Gas (USA) Inc. (Encana) currently holds mineral leases on more than 70 percent of this area.**

**Long-term development potential includes a maximum of 3,500 wells to be drilled over 10 years to produce natural gas from the Lance Pool, Unnamed Tertiary and Mesa Verde formations.**

## The EIS process and importance of public comments and participation

An Environmental Impact Statement (EIS) is required under the National Environmental Policy Act before the Bureau of Land Management (BLM) can issue a Record of Decision for the NPL project. This process requires public involvement before the federal government makes its decision. A full EIS will consider impacts to the environment, communities and economy.

During the Scoping Period, the BLM collects stakeholder comments related to the EIS at public meetings, as well as gathers comments sent via fax, mail or email. Scoping is the process used to determine the appropriate contents of the EIS. It begins before any analysis of impacts is done and continues until the EIS is complete. Public participation is an integral part of scoping.

Public participation and written comments are critical to the economic well-being of Wyoming and a successful EIS outcome. The public is encouraged to participate in scoping meetings and provide written comment during the comment period to the BLM.

## Project process

▼ Notice of Intent Published April 12, 2011
▼ Scoping Period (includes multiple opportunities for public input to the scoping process)(Ends May 12)
▼ Compile Draft EIS (several months)
▼ Notice of Availability Published (milestone)
▼ Public Comment Period (45 days)

## Projected benefits of NPL

- protect and create jobs by transitioning work to NPL as drilling in Jonah declines
- provide more than 875 full-time jobs over the life of the project
- generate reliable tax revenues for city, county, state and federal governments
- deliver a secure source of domestic energy produced in Wyoming

## Encana Wyoming 2010:

1100 + people work on behalf of Encana  
Encana is the largest natural gas producer in Wyoming

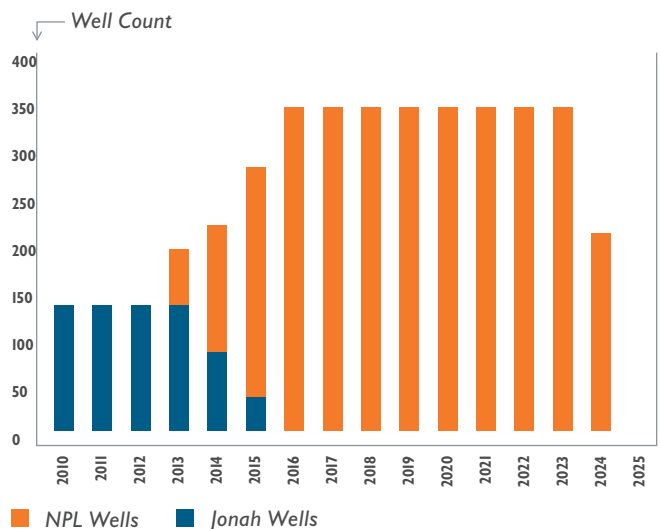
## Encana contributed in 2010:

\$1.26 million	Through community investment
\$81.95 million	Wyoming severance taxes
\$17.15 million	Wyoming Royalty Payments
\$80.03 million	Federal Royalty (returned to State of Wyoming)
\$99.94 million	Ad Valorem (gross production) to counties
\$2.23 million	Wyoming Personal Property Taxes to counties
\$12.06 million	Wyoming Sales/Use Tax
\$6.94 million	Tribal royalty and severance taxes to Northern Arapaho and Eastern Shoshone Tribes
<b>TOTAL: \$301.56 million</b>	

## Jonah to NPL transition

If approved and successful, the NPL project could provide needed jobs as drilling in Jonah winds down. This would allow Encana efficient operational planning and development, and Wyoming communities would be able to keep steady jobs and tax revenues.

## Historic and potential maximum drilling activity (Jonah and NPL)



## Encana strives to be the leader in reducing air emissions in Wyoming

Encana's goals are to minimize emissions of nitrogen oxides (NOx) and volatile organic compounds (VOC) from natural gas production and gathering activities in the Jonah field and the future NPL project. We have:

- funded air quality studies
- reduced gathering system pressure
- completed facility consolidation and upgrade
- converted drill rig engines from diesel to cleaner natural gas fuel
- installed Selective Catalytic Oxidation (SCO) emission control devices on natural gas drill rig engines
- implemented flareless flowback green well completion techniques
- implemented an enhanced directed inspection and maintenance program to reduce VOC emissions from equipment
- adopted centralized hydraulic fracturing well techniques
- installed remote telemetry process equipment monitoring
- built a workforce facility to reduce traffic into and out of the field

## Encana will continue to pioneer new techniques and technology

- all gas, water and condensate will be collected in a closed-loop three-phase gathering system that:
  - significantly reduces air emissions
  - will require less than 11 regional gathering facilities
  - utilizes electric compression
- emissions will be below previous levels in Jonah
- regular inspection and maintenance expected to reduce some emissions by up to 75 percent

## Wildlife protection

Encana is a recognized leader in improving wildlife habitat within project areas. No disturbance will occur within floodplains, wetlands or riparian areas.

- big game habitat and migration corridors have been identified and will be protected
- core-area concept will be used to protect sage grouse
- directional drilling minimizes wildlife impacts

## Groundwater protection

Encana will deploy state of the art technology to protect and monitor groundwater in the project area. Best Management Practices will control surface runoff and protect natural drainages.

- natural gas is produced between one and three miles below groundwater
- monitoring wells will include baseline water studies and routine water sampling

## Surface disturbance and reclamation

Encana respects the land and our neighbors who live and work nearby. During the project, only five percent of the leased acres will be impacted, and those will be fully reclaimed.

- soil conditions will be re-established and seeded with indigenous plants
- directional drilling on multi-well pads will minimize impacts
- existing Jonah infrastructure and technology lessens surface disturbance
- minimal access roads and equipment areas will be maintained

# PUBLIC PARTICIPATION COUNTS!

**Public action in the EIS scoping process and written comments are critical to the economic well being of Wyoming communities. Encana encourages the public to participate in scoping meetings and provide written comments by May 12, 2011.**

**Email:**  
NPL\_EIS\_WY@blm.gov

**Mail:**  
BLM Pinedale Field Office  
P.O. Box 768  
Pinedale, WY 82941

**Hand Delivery:**  
BLM Pinedale Field Office  
1625 W. Pine Street  
Pinedale, WY 82941

### Advisory Regarding Forward-Looking Statements

Statements and information above may contain "forward-looking statements" or "forward-looking information" within the meaning of applicable securities legislation. Forward-looking statements may include, but are not limited to, estimates of the number of wells to be drilled in the NPL region over ten years; statements, estimates, opinions, forecasts and data with respect to: projected benefits of NPL in creating jobs and generating tax revenues; estimated NPL employment potential and tax revenue potential over a number of years; projected drilling activity for 2011 to 2025 in Jonah and NPL; planned activities to reduce air emissions, protect groundwater, improve wildlife habitat, reduce surface disturbance and implement reclamation. Readers are cautioned not to place undue reliance on forward-looking information, as there are no assurances that the plans, intentions or expectations upon which it is based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause the company's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things: volatility of and assumptions regarding commodity prices; assumptions based upon the company's current guidance; fluctuations in currency and interest rates; product supply and demand; market competition; risks inherent in the company's and its subsidiaries' marketing operations, including credit risks; imprecision of reserves and resources estimates; marketing margins; potential disruption or unexpected technical difficulties in developing new facilities; unexpected cost increases or technical difficulties; risks associated with technology; the company's ability to replace and expand gas reserves; its ability to generate sufficient cash flow from operations to meet its current and future obligations; its ability to access external sources of debt and equity capital; the timing and the costs of well and pipeline construction; changes in laws or regulations or the interpretations of such laws or regulations; risks associated with existing and potential future lawsuits and regulatory actions made against the company; and other risks and uncertainties described from time to time in the reports and filings made with securities regulatory authorities by Encana Corporation. Readers are cautioned that the foregoing list of important factors is not exhaustive. Forward looking statements are made as of the date hereof, and except as required by law, Encana undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise. The forward-looking statements contained above are expressly qualified by this cautionary statement.

