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O/Ref: ELL041-A4

November 29, 2004

By Facsimile (902) 422-1799

C. Andy Parker

Manager, Environment

Canada – Nova Scotia Offshore Petroleum Board

6th Floor, TD Centre

1791 Barrington Street

Halifax NS B3J 3K9

Dear Mr. Parker:

Re: Cohasset Project Phase II Decommissioning – Public Comments on the Environmental Screening Report

This will acknowledge receipt of your letter dated November 22, 2004, enclosing public comments received by the Canada-Nova Scotia Offshore Petroleum Board on the Environmental Screening Report for the Cohasset Phase II Decommissioning from the Native Council of Nova Scotia, the Seafood Producers Association of Nova Scotia and the Executive Board of Area 19 Snow Crab Fishermen's Association.

We have reviewed those public comments and find that they are not materially different than the comments made by those same organizations in June, 2004 respecting the Environmental Assessment Report of the above noted Decommissioning. EnCana addressed those public comments in its Response to Public and Regulatory Comments in July, 2004 and in its further comments on the Environmental Screening Report in November, 2004. However, I submit the following comments in response to the most recent public comments of each of the aforementioned organizations.

With respect to the public comments submitted to the Board by the Seafood Producers Association of Nova Scotia (SPANS), with reference to our letter to the Board of November 22nd forwarding EnCana's comments on the Environmental Screening Report, we wish to emphasize that the estimated 1.4 million metric tonnes of quahog resources is available on the entire Sable Island bank and note, with emphasis, that the area encompassing abandoned subsea equipment represents a minuscule fraction of the total area available for harvesting quahogs. Indeed, we note that the subject "Commercial Fisheries" was considered as a Valued Ecosystem Component (VEC) in EnCana's Environmental Assessment (EA) which, together with the Environmental Screening Report, concluded that there are no significant adverse environmental effects on Commercial Fisheries as a result of EnCana's proposed Decommissioning Project.

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It is important to clarify, in our view, the reference in the SPANS public comment that the total removal of subsea equipment will allow such equipment to be "safely removed". We submit that it is important to place that statement in its proper context with reference to EnCana's Safety Study, which indicates that EnCana's proposal to leave certain subsea equipment in place is a significantly safer method of proceeding with decommissioning.

Finally, with respect to the numerous references by SPANS to "cumulative effect", we refer to the conclusion of the EA prepared by EnCana and to the Environmental Screening Report, which both looked specifically at the cumulative effects issue and both reached the conclusion that partial removal of the subsea equipment would not likely interact cumulatively with other projects to cause significant adverse environmental effects.

With respect to public comments submitted to the Board by the Area 19 Snow Crab Fishermen's Association (the "Association"), it is important to note that the Association acknowledges that it does not have an interest in the area which will be affected by the Cohasset Decommissioning Project. With respect to the Association's reference to a "legal agreement" under which EnCana is required to keep its original "commitment" to remove all of its equipment associated with the Cohasset Panuke Project, we would reiterate here that with the passage of time, new information, extensive international experience with the abandonment of offshore oil and gas projects and lessons learned internationally, a re-evaluation of our 15-year-old plan has clearly indicated that the most acceptable plan for decommissioning the Cohasset Panuke Project, from both an environmental and safety perspective, is the plan for partial removal described in EnCana's application to the Board to amend its original Development Plan. Our application to amend the original development plan in that context is consistent with EnCana's policy of continuing to engineer projects throughout their life and to re-evaluate methods of exploration, production and decommissioning as new information and experience becomes available.

With respect to public comments submitted to the Board by the Native Council of Nova Scotia (NCNS), it is our view that the various submissions made to the Board in this matter by NCNS, beginning with its letter dated June 21, 2004, do not raise any interest that would be affected by the Cohasset Project Phase II Decommissioning; rather, its various submissions raise only general concerns. Accordingly, it is our view that NCNS has not raised an interest in respect of which specific consultation with NCNS is required.

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In the matter of the Cohasset Project Phase II Decommissioning, NCNS did not indicate that it had a right or interest that would be affected by the decommissioning project, in either case of the total or partial removal of subsea equipment. However, despite no such interest having been identified by NCNS as being affected by the decommissioning project, the NCNS, specifically Mr. Roger Hunka, has been consulted by both EnCana or its consultants through participation in the Board's regulatory process. Examples of such consultation include Mr. Hunka's presence at a meeting of the Fisheries Advisory Committee on December 10, 2003 where the decommissioning project was described in a presentation by EnCana and feedback was obtained from fisheries representatives. Mr. Hunka is identified in EnCana's EA as one of the parties having been contacted for an "interview with fisheries representatives" and, finally NCNS has been consulted by its participation in the regulatory process as evidenced by its letter of June 21, 2004 commenting on EnCana's EA and as evidenced by its letter of November 18, 2004, commenting on the Environmental Screening Report. Finally, the Responsible Authorities in this matter state in the Environmental Screening Report that they did not find that either total or partial removal of the subsea equipment would likely have significant adverse environmental effects on commercial fisheries which, we suggest, would be the only likely NCNS viable interest.

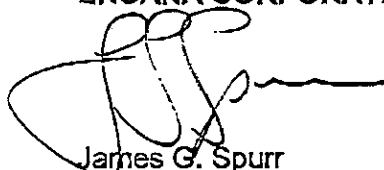
I also acknowledge receipt of your letter dated November 23, 2004 enclosing public comments respecting the above noted received by the Board from the Offshore/Onshore Technologies Association of Nova Scotia (OTANS). We are encouraged by the substance of those comments but suggest that a material clarification is in order. OTANS makes reference in the fourth paragraph of its November 22nd public comment that the "environmental impacts are equivalent" when making reference to the total removal and partial removal of subsea equipment. We wish to state, with emphasis, that the partial removal of subsea equipment being recommended by EnCana constitutes a superior decommissioning project from both an environmental and safety perspective.

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Should you require any further information or clarification respecting the foregoing, please do not hesitate to contact the undersigned at your earliest convenience either in writing or by telephone at (403) 645-6532.

Yours sincerely,

ENCANA CORPORATION

A handwritten signature in black ink, appearing to read 'James G. Spurr', with a long horizontal flourish extending to the right.

James G. Spurr
Legal Counsel
Canadian Frontiers Business Unit

JGS/ket

cc: Al Reid
Rob MacQueen
Lori MacLean

Malcolm Weatherston
Hugh Farrell
Marielle Thillet