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.

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

TOTAL: $301.56 million

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)

Well Count

- NPL Wells
- Jonah Wells
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!

For more information, please contact us at: 866-896-6371 or email npl@encana.com

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