

OVERVIEW

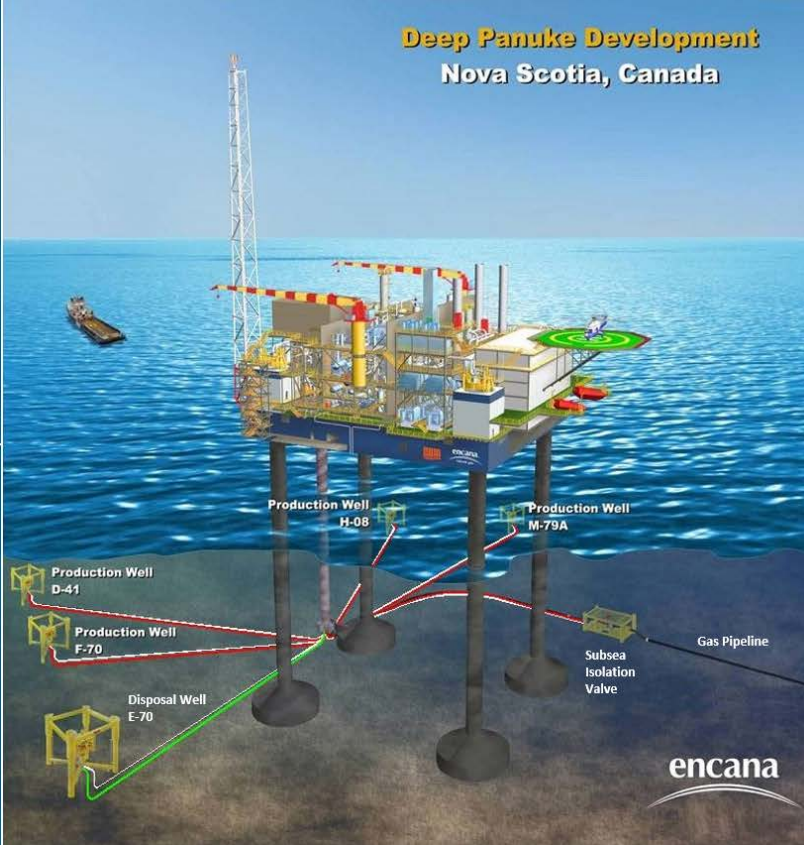
Encana Corporation is the owner and operator of the Deep Panuke natural gas development, located in the marine environment approximately 175 kilometres offshore Nova Scotia. The development includes facilities required to produce natural gas from the Deep Panuke field, such as the offshore production platform, subsea wells, flowlines, control umbilicals and protection structures for subsea equipment. Natural gas is processed offshore and transported via a subsea pipeline to shore near Goldboro, Nova Scotia for further transport to markets using the Maritimes & Northeast Pipeline. Encana permanently ceased production from Deep Panuke on May 7, 2018 and has begun the work required for decommissioning activities.

DECOMMISSIONING PROCESS

It is currently Encana's plan to generally complete the decommissioning of the Deep Panuke development as follows:

- Decommissioning of the offshore production platform, subsea structures, flowlines, umbilicals, gas pipeline, and onshore facilities
- Well plugging and abandonment and subsea structure removal
- Offshore platform removal and final field survey

- Wells**
- Plug and abandon four production wells
 - Plug and abandon one disposal well
 - Remove subsea production trees
- Subsea Facilities**
- Remove wellhead protection structures
 - Flush and clean flowlines
 - Disconnect flowlines and umbilicals; abandon in place



- Gas Pipeline**
- Flush and clean gas pipeline
 - Remove subsea isolation valve
 - Remove above ground onshore facilities
 - Abandon gas pipeline in place
- Production Platform**
- Flush and clean
 - Remove

2019 GAS PIPELINE FLUSHING

Encana completed the gas pipeline flushing program between the end of June and the middle of July. The gas pipeline (175 km long, 560 mm outer diameter) connects the offshore platform to the onshore metering station in Goldboro. The gas pipeline was flushed with water to remove the sales-quality gas it contained.

Pipeline pigs (devices inserted into the pipeline to create a seal) were propelled with freshwater and nearshore filtered seawater from onshore to offshore. The flush water received at the platform did not contain any liquid hydrocarbons or require treatment since the pipeline has never been exposed to liquid hydrocarbons, only natural gas. Recovered flush water was tested to confirm that it met regulatory requirements. Only a small volume of flush water received on the platform was injected into a disposal well. The remaining flush water was discharged overboard. It took seven days to flush the entire pipeline and the offshore pipeline is now filled with seawater. The onshore section of the pipeline has been dewatered.

To support the pipeline flushing program, equipment was mobilized onshore at both the pipeline terminus site and landfall. The landfall site (including the previous gravel pad and fence, no-anchor sign, as well as temporary laydown areas created to store water pumping/storage equipment) has been restored and re-vegetated. Additional environmental site inspections will be conducted in August and September to verify the stability of reclaimed areas. The gas export pipeline terminus site will be restored in 2020.



Onshore Section of the Deep Panuke Gas Pipeline



Gravel pad, fence and no-anchor sign at Beach Valve Station before the pipeline flushing program



Pumping equipment for the pipeline flushing program at Beach Valve Station



Restored site (after seeding) at Beach Valve Station following completion of the pipeline flushing program

PROCUREMENT AND CONTRACTING

Encana is committed to providing full and fair opportunities for Nova Scotians and Canadian companies, and first consideration to Nova Scotians where competitive on a best value basis. SBM Nova Scotia Contractors Inc. (SBM) operates the production platform on behalf of Encana Corporation, and is also committed to providing opportunities for Nova Scotian and Canadian companies through procurement and contracting on an internationally competitive basis.

Information on procurement and contracting opportunities, including expressions of interest, bidders lists, and contract awards, are posted on the Encana's Atlantic Canada webpage www.encana.com/deeppanuke, in addition to being published in the Maritimes Energy Association bulletin and on www.bids.ca. Contact information is provided with all notifications for interested parties who wish to contact Encana, SBM and potential and successful bidders.

The table below lists contracts awarded by Encana and SBM for decommissioning activities.

Decommissioning Contracts Awarded	Awarded to
Supply of Marine Gas Oil and Low Sulphur Diesel	Irving Oil
Tubular Running and Fishing and Milling Services	FI Oilfield Services Baker Hughes Canada
Onshore Civil Works (Goldboro)	MacLane & Bernard Construction
Removal of Subsea Structures, Transport and Disposal	DOF Subsea Canada
Mechanical Isolation Plugs and Services	Interwell
Purchase of Pipeline Pigs	Propipe Limited Turbulent Research
Fluids, Cement, Swarf Management and Storm Packers	Halliburton Group Canada
Bleed-off Package and Landing String	Expro Group Canada
Intervention and Workover Equipment and Services	Halliburton Group Canada
Gas Pipeline Flushing and Pigging Services	IKM Testing (Canada)
High-Pressure Riser & Conductor Cutting Services	Claxton Engineering Services
Subsea Flow Lines Flushing and Cleaning Services	Halliburton Group Canada
Waste Disposal	EnviroSystems
Harsh Environment Jack-Up Mobile Offshore Drilling Unit	Noble Drilling Services (Canada)
Engineering and Technical Support Services	AMEC Black & MacDonald Avara Solutions Eastpoint Engineering HEDSA Project Management Stantec Consulting Ltd. Waterford Energy Services Inc.
Regulatory and Environmental Support Services	Stantec Consulting Ltd.
Gas Pipeline Flushing Piping & Support Fabrication	AECON Atlantic
Platform De-Installation	Kvaerner Canada Ltd.
Piping Bults	TTL Supply Ltd. PJ Piping
Platform Decommissioning Services	Amec Black & McDonald Limited EM&I Stantec Ltd.
Support Vessels (Anchor Handler & Supply)	Atlantic Towing Ltd. Secunda Canada LP
Remote Operated Vehicle (ROV) Services	DOF Subsea Canada
Marine Warranty Surveyor	London Offshore Consultants
Third Party and Rig Inspection Services	Interocean Marine Services (Canada) Killick Group Ltd. Waterford Energy Services Inc.
Rig Positioning / Survey Services	DOF Subsea Canada
Refurbishment of Temporary Hydraulic Power Units	Pennecon Hydraulic Systems

SCHEDULE

Activity	Target	Estimated Duration
Gas Pipeline and Onshore		
Gas pipeline flushing and pigging	Completed (June-July 2020)	1 month
Gas pipeline disconnects	August 2020	1 week
Onshore facilities removal and restoration	2020	1 month
Subsea		
Flowline flushing and cleaning	Q3 2019	3 weeks
Flowline disconnects at wells	Q3 2019	2-3 weeks
Flowline disconnects at platform	2020	2-3 weeks
Subsea structures removal	2020	1-2 weeks
Well Plugging and Abandonment		
Offshore execution	Beginning in late 2019 - early 2020	4-5 months
Production Platform		
Platform decommissioning	Ongoing	-
Platform de-install	July-August 2020	1 week

CONTACTS

A key component of this information update is to provide up-to-date information on key activities. Encana is available to meet with interested groups that would like to discuss potential effects, concerns, and interests related to the decommissioning activities so that these may be considered in the decommissioning planning process.

For additional information, please feel free to contact:

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Also visit Encana's Atlantic Canada website for more information, including business opportunities: <https://www.encana.com/communities/canada/atlantic/>