

2009F ENCAN A CORPORATE GUIDANCE ⁽¹⁾

US\$, US Protocols
February 12, 2009



Cash Flow (\$ billions, except per share amounts)

| | |
|---|-------------------|
| Total Cash Flow ⁽²⁾⁽³⁾⁽⁴⁾ | 7.1 - 8.3 |
| - per common share, diluted (\$/share) | 9.50 - 11.00 |
| Operating Cash Flow ⁽²⁾⁽³⁾⁽⁵⁾ | |
| Upstream | 9.0 - 10.3 |
| Downstream | 0.0 - 0.2 |
| Market Optimization & Corporate | 0.0 - 0.1 |
| Operating Cash Flow | <u>9.0 - 10.6</u> |
| Pre-tax Cash Flow ⁽²⁾⁽³⁾ | 8.1 - 9.6 |

North American Production (after royalties)

| | |
|--|----------------------|
| Natural Gas (MMcf/d) | |
| Canada | 2,065 |
| United States | <u>1,740</u> |
| | 3,805 |
| Oil and NGLs, excluding Integrated Oil (Mbbbls/d) | |
| Canada | 78 |
| United States | <u>12</u> |
| | 90 |
| Upstream, excluding Integrated Oil (MMcfe/d, 6:1) | 4,345 |
| Integrated Oil - FCCL - (Mbbbls/d) | <u>43</u> |
| Total (MMcfe/d, 6:1) | <u>4,500 - 4,700</u> |

Capital Investment (\$ billions)

| | |
|---|------------|
| Upstream Canada, excluding Integrated Oil | 2.6 |
| Upstream United States | 2.0 |
| Integrated Oil | <u>1.4</u> |
| Subtotal | 6.0 |
| Market Optimization & Corporate | <u>0.1</u> |
| Capital Investment | <u>6.1</u> |

In these uncertain times and as economic conditions warrant, EnCana plans to be in a position to expand or contract its capital investment program through the year.

Potential Capital Investment with Adjustment (\$ billions)

| | <u>Low Case</u> | <u>High Case</u> |
|--|-----------------|------------------|
| Total Cash Flow | 7.1 | 8.3 |
| Capital Investment | 6.1 | 6.1 |
| Capital Investment Adjustment | <u>(0.5)</u> | <u>0.5</u> |
| Adjusted Capital Investment | 5.6 | 6.6 |
| Net Divestitures | <u>0.5</u> | <u>1.0</u> |
| Net Capital (including planned divestitures) | <u>5.1</u> | <u>5.6</u> |
| Cash Flow Less Net Capital | 2.0 | 2.7 |

(1) References to Integrated Oil throughout relate to the EnCana (ECA)/ConocoPhillips (COP) enterprises formed in January 2007. ECA contributed Foster Creek and Christina Lake projects to the Upstream Integrated Oil Partnership. COP contributed the Wood River and Borger refineries to the Downstream Integrated Oil LLC. ECA and COP have equivalent interests in each enterprise.

(2) 2009 based on NYMEX of \$5.50 to \$7.50/Mcf, WTI of \$55/bbl to \$75/bbl, Chicago 3-2-1 crack spread of \$5.00/bbl to \$10.00/bbl, and a US\$/C\$ exchange rate of \$0.75 to \$0.85.

(3) This guidance refers to certain non-GAAP measures including cash flow, pre-tax cash flow and operating earnings. Cash flow is a non-GAAP measure defined as Cash from Operating Activities excluding net change in other assets and liabilities, net change in non-cash working capital from continuing operations and net change in non-cash working capital from discontinued operations, all of which are defined on the Consolidated Statement of Cash Flows. Pre-tax cash flow is calculated as cash flow before cash taxes. Operating earnings is a non-GAAP measure defined as Net Earnings excluding the after-tax gains/losses on discontinuance, after-tax effect of unrealized mark-to-market accounting gains/losses on derivative instruments, after-tax gains/losses on translation of U.S. dollar denominated debt issued from Canada to the partnership contribution receivable, after-tax foreign exchange gains/losses on settlement of intercompany transactions and the effect of changes in statutory income tax rates. Management believes that these excluded items reduce the comparability of EnCana's underlying financial performance between periods. The majority of the unrealized gains/losses that relate to U.S. dollar denominated Notes issued from Canada are for debt with maturity dates in excess of five years. These measures have been described and presented in this guidance in order to provide shareholders and potential investors with additional information regarding EnCana's liquidity and its ability to generate funds to finance its operations.

(4) Cash Flow based on mid-point of production guidance.

(5) Operating Cash Flow is defined as Gross Revenues net of unrealized mark-to-market gains or losses less; Royalties, Production and Mineral Taxes, Transportation, Operating Expenses and costs of Product Purchased. This measure has been provided in this guidance to provide shareholders and potential investors with additional information regarding EnCana's liquidity and its ability to generate funds to finance its operations.

2009F EnCana Corporate Guidance cont'd....



Upstream Operating Costs (annual average)

| | |
|---|-------------|
| Natural Gas (\$/Mcf) | |
| Canada | 1.10 |
| United States | 0.70 |
| | <u>0.90</u> |
| Oil (\$/bbl) | |
| Integrated Oil | 14.25 |
| North America, excluding Integrated Oil | 13.00 |
| | <u>1.10</u> |
| Total Operating Costs (\$/Mcf) | <u>1.10</u> |
| Administrative Expense (\$/Mcf) | 0.30 |

Other

| | |
|---|------|
| DD&A, Upstream (\$/Mcf) | 2.25 |
| Effective Book Tax Rate, as a percentage of Operating Earnings from Continuing Operations⁽¹⁾⁽²⁾ (%) | 26 |

Sensitivities⁽³⁾⁽⁴⁾ (\$ millions)

| | Operating Earnings ⁽²⁾ | | Cash Flow ⁽²⁾ | |
|---|-----------------------------------|----------|--------------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| \$1.00/Mcf change in the NYMEX gas price | 175 | (225) | 150 | (200) |
| \$10.00/bbl change in the WTI oil price | 250 | (250) | 250 | (250) |
| \$0.05 change in the U.S./Canadian dollar exchange rate | (150) | 150 | 15 | (10) |
| \$1.00 change in the Chicago 3-2-1 crack spread | 40 | (40) | 60 | (55) |

(1) Excludes the effect of acquisitions and divestitures, tax rate changes and mark-to-market gains or losses.

(2) Operating Earnings from Continuing Operations and Cash Flow are a non-GAAP measure. Please refer to footnote 3 on page 1 of this guidance.

(3) Includes approximated hedge positions as at December 31, 2008.

(4) Estimated impacts are not linear for plus or minus increments to the base assumptions and can fluctuate significantly due to other factors impacted by changes in the benchmark assumptions such as, but not limited to, basis differentials, oil differentials, hedging, royalties, crack spreads and/or taxes.

ADVISORY: In the interests of providing EnCana Corporation ("EnCana" or the "Company") shareholders and potential investors with information regarding EnCana and the proposed reorganization transaction (the "Transaction"), including management's assessment of future plans and operations relating to EnCana, this document contains certain statements and information that are forward-looking statements or information within the meaning of applicable securities legislation, and which are collectively referred to herein as "forward-looking statements". Forward-looking statements in this document include, but are not limited to, statements and tables (collectively "statements") with respect to: estimates of cash flow for 2009; estimates of production volumes for 2009; estimates of operating costs and administrative expense for 2009; projected 2009 capital expenditures and allocations thereof, including potential changes to the core capital program during 2009; projected 2009 net divestitures; estimates of US\$/C\$ 2009 exchange rates, depreciation, depletion and amortization (DD&A), effective book tax rate as a percentage of operating earnings from continuing operations; anticipated Chicago 3-2-1 crack spread; and projected 2009 sensitivities and their impact on operating cash flow.

Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the future circumstances, outcomes or results anticipated in or implied by such forward-looking statements will occur or that plans, intentions or expectations upon which the forward-looking statements are 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 circumstances, events or outcomes anticipated or implied by forward-looking statements will not occur, which may cause the actual performance and financial results in future periods to differ materially from the performance or results anticipated or implied by any such forward-looking statements. These assumptions, risks and uncertainties include, among other things: risks associated with the ability to obtain any necessary approvals, waivers, consents, court orders and other requirements necessary or desirable to permit or facilitate the proposed Transaction (including regulatory and shareholder approvals); the risk that any applicable conditions of the proposed Transaction may not be satisfied; the risk that market or financial conditions may delay or prevent EnCana from proceeding with the proposed Transaction; volatility of and assumptions regarding oil and gas prices; assumptions contained in or relevant to the Company's current corporate guidance; fluctuations in currency and interest rates; product supply and demand; North American and global market conditions including financial markets; market competition; risks inherent in marketing operations (including credit risks); imprecision of reserves estimates and estimates of recoverable quantities of oil, bitumen, natural gas and liquids from resource plays and other sources not currently classified as proved reserves; the ability to successfully manage and operate the integrated North American oilsands business with ConocoPhillips; refining and marketing margins; potential disruption or unexpected technical difficulties in developing new products and manufacturing processes; potential failure of new products to achieve acceptance in the market; unexpected cost increases or technical difficulties in constructing or modifying manufacturing, refining or processing facilities; unexpected difficulties in manufacturing, transporting, refining or processing crude oil or natural gas; risks associated with technology and the application thereof to the business of EnCana; the ability to replace and expand oil and gas reserves; the ability to generate sufficient cash flow from operations to meet current and future obligations; the ability to access external sources of debt and equity capital; the timing and the costs of well and pipeline construction; the ability to secure adequate product transportation; changes in royalty, tax, environmental and other laws or regulations or the interpretations of such laws or regulations; applicable political and economic conditions; the risk of war, hostilities, civil insurrection, political instability and terrorist threats; risks associated with existing and potential future lawsuits and regulatory actions; and other risks and uncertainties described from time to time in the reports and filings made with securities regulatory authorities by EnCana. Although EnCana believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned that the foregoing list of important factors is not exhaustive.

Forward-looking information respecting anticipated 2009 cash flow, operating cash flow and pre-tax cash flow for EnCana is based upon achieving average production of oil and gas for 2009 as set out above, average commodity prices, an average U.S./Canadian dollar foreign exchange rate and an average Chicago 3-2-1 crack spread for 2009 as noted, and an average number of outstanding shares for EnCana of approximately 750 million. Assumptions relating to forward-looking statements generally include EnCana's current expectations and projections made by the Company in light of, and generally consistent with, its historical experience and its perception of historical trends, as well as expectations regarding rates of advancement and innovation, generally consistent with and informed by its past experience, all of which are subject to the risk factors identified elsewhere in this document.

Furthermore, the forward-looking statements contained in this document are made as of the date of this document, and, except as required by law, EnCana does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.