

connecting

for safe worksites



Striving for superior EH&S performance in 2012



Encana's Mid-Continent Business Unit (MCBU) had a tremendous operating year in 2011, and it was one of our best years in terms of Environmental Health and Safety (EH&S) performance. We completed 2011 with the following notable accomplishments:

- no recordable employee injuries
- reduction of contractor injuries, from 71 in 2010 to 48 in 2011
- reduction of reportable spills from 12 to 8
- no recordable incidents for 11 out of 15 drilling rigs

- no recordable incidents for three years for 2 drilling rigs
- implementation of Encana's Ethos EH&S Management System
- successful completion of the ISO 14001 Surveillance Audit

A special thank you goes to all of our field staff and contractors for working to meet our EH&S goals. With your commitment, we have made the MCBU one of the safest Encana operations.

As you may already know, Encana is adjusting to market realities by reducing dry-gas drilling and shifting the focus to oil and liquids-rich plays in 2012. In the year ahead, Encana will continue to focus on operational excellence through stellar EH&S performance with emphasis on the following priorities:

- continue implementation of Ethos
 - prevent injuries and spills
 - reduce driving risk
 - compliance
 - conserve water resources and reduce waste
 - minimize air quality impacts
 - reduce occupational health exposure
- minimize motor vehicle incidents
- partner with the contractor community to increase safety awareness, communications and knowledge sharing
- extend the culture of safety and EH&S excellence to our new oil and liquids plays

I am pleased to report that the MCBU is off to a strong start in 2012. Our recent Ethos audit in North Louisiana verified that the system implementation is well underway. Many thanks to all those who helped with this audit and its preparation.

The investment shift from dry-gas to oil and liquids will result in new environmental challenges, and new health and safety hazards. However, one thing that will not change is my personal commitment and Encana's commitment to get EH&S right. And with everyone's support and cooperation, MCBU's EH&S performance will get even better.

Paul Sander

Vice-President, Encana Mid-Continent Business Unit

Avoid heat illness through prevention and awareness

Heat equation

High temperature + High humidity + Physical work = Heat illness

Encana's Mid-Continent Business Unit has historically experienced an increased injury rate during the summer months due to the high temperatures and increased humidity.

Prevention and awareness are the keys to success. Below are a few tips that can help you avoid heat illness.

- perform the heaviest work in the coolest part of the day
- slowly build up tolerance to the heat and work activity — usually takes up to 2 weeks
- use the buddy system (work in pairs)
- drink plenty of cool water — one small cup every 15 – 20 minutes
- wear light, loose fitting, breathable clothing
- take frequent short breaks in cool, shaded areas — allow your body to cool down
- avoid eating large meals before working in hot environments
- avoid caffeine and alcoholic beverages, these beverages make the body lose water and increase the risk for heat illness

Increased risk

Some people may be at an increased risk for heat illness. For example, those who have had a heat-induced illness in the past or a person taking certain medications may be especially susceptible.

Talk with your doctor or nurse about any pre-existing health conditions. You should also check with your doctor, nurse or pharmacist to see if any of the medications you are taking may affect you when working in hot environments and search for alternatives, if needed.

Those who wear personal protective equipment (PPE), such as respirators, are also at increased risk, along with those who wear dark colors and heavy-weight material.

Your health and safety are extremely important at Encana. We encourage you to be proactive as we enter the hot summer months and protect yourself against heat illness.

Q1	
MCBU quick hits	Rig count – 4
	Spills – 51
	Spill volume (bbls) – 212.63
	Recovered volume (bbls) – 202.84
	Motor vehicle incidents – 7
	Recordable incidents – 9
Total recordable injury frequency – 0.59	

Team spotlight:

Ronnie Eason

Ronnie Eason is a Completions Coordinator with more than 35 years of experience in completions operations. Ronnie started at Encana in April 2011, and in this brief time, he has already made a significant impact on MCBU operations.

In addition to establishing and coordinating the contractors who perform the snubbing workover and flowback work for the Texas Completions Group, Ronnie leads the Completions Pro Safety Team that he helped form in September 2011.

“Safety is our number one concern,” says Ronnie. “Making sure we get the job done is important, but it is more important that everyone leaves the site each day incident free.”

The Completions Pro Safety Team includes 16 different Encana contractor companies. Team members are owners and leaders who are able to quickly implement safety decisions for their companies. The team meets monthly for knowledge sharing and developing safety solutions for the field. Julie White, a Completions Technologist for MCBU, plays a major role in organizing and facilitating the meetings.

“Team members take back what they’ve learned from other companies through the Pro Safety Team and apply those learnings to their own operations. The exchange of information and sharing of best practices helps keep our worksites safe,” says Ronnie.

Completions Pro Safety Team improves safety through effective communication

During the past eight months, the Completions Pro Safety Team has been providing best practices and lessons-learned sharing across Encana’s MCBU contractor companies with outstanding results.

Before the team was formed in September 2011 to address and lower the number of recordable safety incidents in East Texas, Encana’s contractor companies (in East Texas) experienced six recordable injuries, four first aids, two occupational illnesses and 20 environmental spills in the seven month period ending August 2011.

With the team in place, the number of recordable safety incidents has dropped dramatically. In the past six months, Pro Safety Team contractors had one recordable injury and eight environmental spills in East Texas.

“We are always looking for ways to improve our operator-vendor relationship,” says Danny Benavides, Group Lead for MCBU Completion Operations. “The Pro Safety Team’s effort has been successful, resulting in better EH&S performance on the front line. It offers a neutral venue for sharing information and knowledge, and the contractors have had very positive feedback about the program.”

Representatives from the 16 contractor companies that are members of the Completions Pro Safety Team meet monthly to share information about near hits and develop solutions to prevent future recordable incidents. Many of these solutions are implemented immediately by contractor companies.

For example, as a result of the team’s efforts, one contractor company recently changed their guidelines, making special, impact-resistant gloves mandatory for field workers to help protect their fingers.

In addition to this monthly meeting, a larger team of Encana MCBU contractor companies meet each quarter to share best practices.

Contractors share Encana’s giving spirit

Community involvement and stewardship is a top priority at Encana, and thanks to our contractors, we are extending our impact in local areas. In 2011, contractors engaged with us on several community initiatives in North Louisiana, providing volunteer hours and resources.

“Our staff members (Encana and contractor staff) have an incredibly caring and giving spirit,” says Pat Maliszewski, one of Encana’s Community Relations Advisors for North Louisiana. “They demonstrate amazing dedication and commitment to community service; I have never seen anything like it.”

Along with the Encana Cares campaign, contractors supported several major community events, helping to reach more than 29,000 volunteer hours in 2011:

Relay for Life

Encana’s Coshatta office supports the American Cancer Society’s Relay for Life. In April 2011, 66 Encana employees provided 1,800 volunteer hours and, with contractor contributions, raised nearly \$25,000 for the local chapter. Support for the 2012 event was even more successful. The team set a goal of raising at least \$30,000 to help fight childhood cancer, but raised \$70,750 for this cause and also increased the number of volunteers to 72.

BPCC 100 Mini NASCAR Race

Encana serves as a major sponsor of the Bossier Parish Community College (BPCC) 100 Mini NASCAR Race to help raise scholarship funds for area students. In 2011, employees and contractors volunteered more than 2,200 hours for the race. Blacksheep and Stallion Production, two contractors in Louisiana, provided a tailgate feast for approximately 400 event volunteers.

Keep Red River Parish beautiful

To support litter prevention and waste reduction, 110 Encana and contractor staff members helped clean up more than 8,000 pounds at the “Going Green on the Red River” festival in 2011. Encana volunteers also sponsored the main tent, distributed water bottles and displayed a natural gas vehicle. At the event, Accuren provided breakfast and Wilson Supply provided lunch for the volunteers. For this effort, Encana received the 2011 Corporate Leadership Award from Keep Louisiana Beautiful, Inc.

Pat believes that Encana’s caring culture, combined with strong support from local Encana leadership, inspires the North Louisiana staff.

“This is the most caring and dedicated company to work for. Everything we do in the community is about making a difference, and our contractors play a significant role,” says Pat. “It’s not about the money, it’s about the act of doing, caring, and giving.”

A special thanks to the following companies, who have all been so generous in supporting the local communities in North Louisiana:

Acadia Cooling & Compression, Accuren, Applied Consultants, Baker Hughes, Bear Paw, Berry Brothers, Blacksheep, C&D Production, Cameron Industries, Culberson Construction, Inc., Fairview Trucking, Heckman Water Resources, Klassy Catering, Lone Star Coolers, Manschein Land group, Precision Signs, Premier Well Services, Select Energy Services, Stallion Production, TIC Energy, Wilson Supply

NLA rigs set safety record

It’s no secret that safety is a core value at Encana. Our Safe 360 program emphasizes the importance of safety in all directions. Our safety-related goals apply not only to all employees, but also to our contractors, service providers and stakeholders.

In North Louisiana (NLA), where constantly changing conditions contribute to increased risk, we are proud to report that 15 out of 20 rigs operated without an OSHA recordable injury in 2011. These rigs included:

- Trinidad 123, 124, 125, 133, 134, 135 and 136
- Ensign 150, 759, 766, 776 and 777
- Nabors M27
- Precision 425 and 522

Notable record for Trinidad 123

Most notable was Trinidad 123. As of January 9, 2012, this rig had operated three years without an OSHA recordable injury. This equates to more than 328,000 injury-free hours worked by 23 rig crew members.

Some of the increased threats faced by the rig crew included, but were not limited to:

- bottom hole pressures up to 12,000 psi
- bottom hole temperatures up to 350°F
- geologically challenging areas (the Olympia area, with unstratified zones and faults)
- pressure communication due to other wells in adjacent sections being fractured
- Managed Pressure Drilling (MPD) utilizing mud weights slightly above pore pressure
- simultaneous operations with Completion fracturing occurring on the same pad

One of the main contributors to Trinidad 123’s safety success is the team’s ability to make

personal safety commitments. In addition to carrying Lookout Books to make behavior and condition observations, all of the team members continually watch out for each other.

“When I go to the rig, I hear the word ‘family’ a lot,” says Mike Sasser, HSE Manager for Trinidad Drilling. “The guys truly look out for one another.”

Planning the work and stopping when conditions change are also key to Trinidad 123’s outstanding safety record.

“We are very proud of everyone who has worked on Trinidad 123 during the past three years, it is an outstanding accomplishment especially when you consider the challenges and dynamics they have encountered in NLA,” says Brandon Brashears, Encana’s Group Lead for MCBU Safety Drilling. “This accomplishment is indicative of partnering with our drilling contractors and creating standardized safe work practices.”

ethos
OPERATIONAL EXCELLENCE

Ethos helps reach Operational Excellence by:

- maximizing worker safety
- reducing environmental impact
- ensuring regulatory compliance
- improving communications
- managing performance

