

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

EnCana Corp. Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Mark Gilman - Benchmark Company.

Mark Gilman – Benchmark Company

I was wondering if you could give me a bit of an update on the number of remaining identified drilling locations, which have been established in three of the plays, Cutbank and Montney in particular, Jonah and then also how many further locations you have identified in the Amoruso Field in East Texas.

Randy Eresman

I'll turn that question over to Mike Graham to start with for Cutbank Ridge and then Jeff will follow in for the other two plays.

Michael Graham

Hi Mark. Mike Graham here. In the Montney for 2009, we actually planned to drill about 60 wells is what we planned. We drilled about 15 wells to date and results have been in a very encouraging and the Montney is right on track and then performing very well, probably one of the top quartile plays in our portfolio.

The other thing is just sort of on the potential, we have a tremendous land position somewhere in the order of 500,000 plus acres and we plan to drill sort of four to eight wells per square mile. So when you add it up, we have got a tremendous inventory in the thousands of wells that could be drilled out here in the Montney and right now we are drilling let's say about 60 wells a year, so a big, big inventory going forward

Randy Eresman

And the Montney is responding to exactly same technology that we are using in the shale plays basically the long-reach horizontal wells with multiple fracture stimulation treatments.

Michael Graham

Yes. It's actually a self solenoid, and not a shale so it's sort of a turbine, but a very big tremendous gap in plays and we do horizontal technology drill 1600 to 2000 meters long and put about eight fracs per well in there.

Randy Eresman

Jeff, do you want to follow in on Jonah and East Texas?

Jeff Wojahn

Sure. In Jonah Field, this year we're planning on drilling 115 wells for the year. At the current pace of development, I anticipate that we'd have a remaining inventory of three to five years based on 10 acre and in some cases lower than 10 acre drilling. In East Texas, specifically Amoruso Field, they are planning to drill 30 to 35 wells area for this year and we have a 10 year inventory behind that in the greater Amoruso area, and one other thing that we're focusing right now is working specifically in the Amoruso Field and the results you have seen are just in that component of the field.

Copyright © 2009 CBS Interactive, Inc. All Rights Reserved.