

energy

Energy for people

As a leading North American energy company, headquartered in Calgary, Alberta, we strive to be a trusted contributor in the communities where we work and live. We continuously work to ensure our business is conducted in an ethical and socially responsible manner – a manner in which safe work practices and our approach to the environment are priorities.

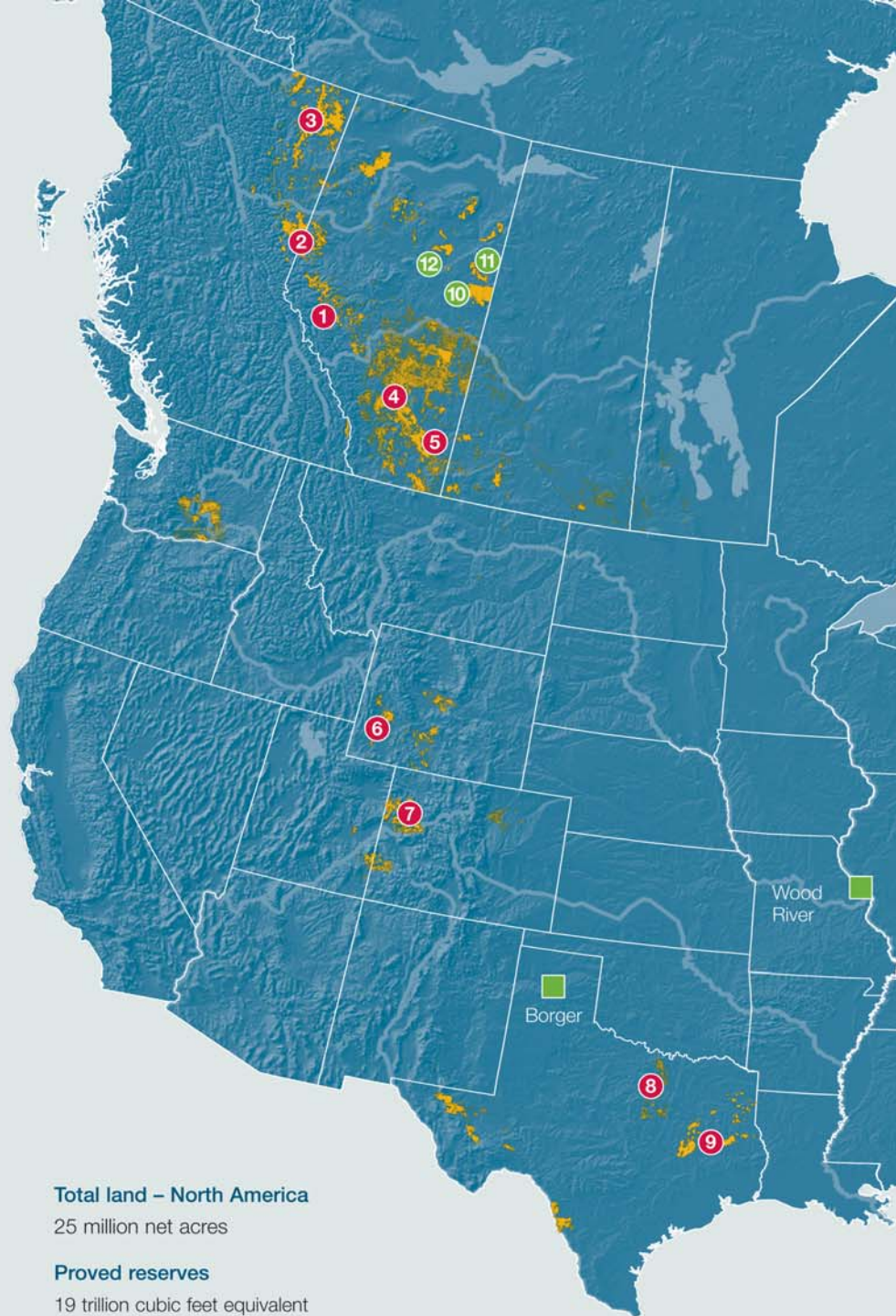
We produce approximately 4.4 billion cubic feet of gas equivalent per day. More than 80 percent is natural gas – the cleanest burning of all fossil fuels. We are also a technical and cost leader in the in-situ recovery of bitumen through steam-assisted gravity drainage (SAGD) – production that is integrated with our two refineries in the United States.

Natural gas and oil resource plays* are our strategic focus. With 12 key resource plays across Canada and the United States we are able to invest for the long term and apply continuous improvements to all areas of our business:

- leveraging technical innovations
- acting on the feedback we get from our stakeholders
- improving energy efficiencies in our day-to-day operations and processes

That strategic focus, combined with the ingenuity, technical leadership and enthusiasm of our 7,250 employees and contractors across Canada and the United States, enables us to deliver on our mission of providing energy for people across North America.

*Resource plays: large continuous accumulations of hydrocarbons capable of delivering steady, reliable production growth for decades.



Total land – North America
25 million net acres

Proved reserves
19 trillion cubic feet equivalent

Well inventory
37,000 locations

Our key resource plays

Natural gas

- | | |
|------------------|--------------|
| 1 Bighorn | 6 Jonah |
| 2 Cutbank Ridge | 7 Piceance |
| 3 Greater Sierra | 8 Fort Worth |
| 4 CBM | 9 East Texas |
| 5 Shallow Gas | |

Oil

- | |
|-------------------|
| 10 Foster Creek |
| 11 Christina Lake |
| 12 Pelican Lake |

Green square: Refineries

Yellow square: EnCana land

Detailed descriptions of our key resource plays can be found on www.encana.com.

Highlights

Financial

US\$ millions, except per share amounts	2007	2006	% Change
Revenues, Net of Royalties	21,446	16,399	31
Cash Flow ⁽¹⁾	8,453	7,161	18
Per Share – Diluted	11.06	8.56	29
Net Earnings	3,959	5,652	(30)
Per Share – Diluted	5.18	6.76	(23)
Operating Earnings ⁽¹⁾	4,100	3,271	25
Per Share – Diluted	5.36	3.91	37
Capital from Continuing Operations	6,035	6,269	
Shares Purchased (millions of shares) ⁽²⁾	38.9	85.6	
Average Price	52.05	49.26	
Net Debt to Capitalization (%)	34	27	
Net Debt to Adjusted EBITDA (times) ⁽¹⁾	1.2	0.6	
Net Debt to Proved Developed Reserves (\$/Mcf)	1.05	0.67	
Dividend Yield (%) ⁽³⁾	1.2	0.8	

(1) Non-GAAP measures as referenced in the Advisory at the back of this report.

(2) Shares purchased under Normal Course Issuer Bid.

(3) Based on NYSE closing share price at year end.

Operating

After royalties	2007	2006	% Change
Continuing Operations – North America			
Natural Gas (MMcf/d)			
Canada	2,221	2,185	2
U.S.	1,345	1,182	14
Total Natural Gas (MMcf/d)	3,566	3,367	6
Oil & NGLs (bbls/d)			
Foster Creek & Christina Lake ⁽¹⁾	26,814	21,384	25
North America, Other	107,340	114,505	(6)
Total Oil & NGLs (bbls/d) ⁽¹⁾	134,154	135,889	(1)
Total Production from Continuing Operations (MMcfe/d) ⁽¹⁾	4,371	4,182	5
Discontinued Operations			
Ecuador (bbls/d)	—	11,996	
Total Production from Discontinued Operations (MMcfe/d)	—	72	
Total Production (MMcfe/d) ⁽¹⁾	4,371	4,254	3
Refinery Operations ⁽²⁾			
Crude Oil Capacity (Mbbls/d)	452	—	
Crude Oil Runs (Mbbls/d)	432	—	
Reserves ⁽³⁾			
Year-End Reserves (Bcfe) ⁽⁴⁾	18,863	19,218	(2)
Net Reserves Additions (Bcfe)	3,629	2,311	57
Production Replacement (%)	227	144	
Finding & Development Cost (\$/Mcf)	1.65	1.99	
Recycle Ratio	3.5	2.7	
Reserve Life Index (years)	11.8	12.0	

(1) 2006 figures represent 50% of Foster Creek and Christina Lake.

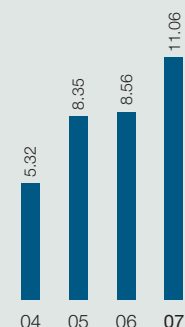
(2) Represents 100% of the Wood River and Borger refinery operations.

(3) Based on proved reserves only.

(4) After adjusting for oil integration, year-over-year reserves grew 12%.

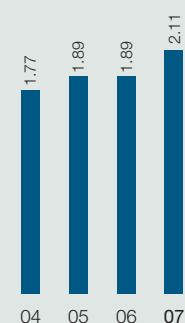
Cash flow per share

(\$/share)



Production per share*

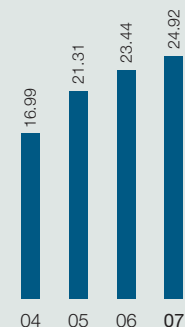
(Mcf/share)



*Represents 50% of Foster Creek and Christina Lake.

Reserves per share

(Mcf/share)



Why own EnCana?

With the predictability, stability and visible growth of our resource play strategy, EnCana represents a unique investment opportunity. Our business decisions are based on unlocking the value in the company's unconventional assets, improving capital efficiency and decreasing the risk exposure of our portfolio.

Maximize total shareholder return

Focus on creating sustainable value for shareholders

Develop unparalleled asset base; unlock underlying value

- Sustainable production growth – target 5 percent per year
- 25 million net acres in North America
- 18.9 trillion cubic feet equivalent proved reserves
- Approximately 10-year drilling inventory identified on existing developed lands

Exercise financial discipline and flexibility; respond to market conditions

- Strong balance sheet
- Net debt to capitalization of 34 percent
- Net debt to adjusted EBITDA of 1.2 times
- Robust project returns – target risk-adjusted internal rate of return greater than 15 percent, after tax

Return value to shareholders; pay dividends and purchase shares


- Minimum 10 percent free cash flow target
- Free cash flow supports a growing dividend and share purchase program
 - Doubled dividend in 2007 and 2008
 - Purchased about 270 million shares since 2002

Advisory Certain information regarding the Company and its subsidiaries set forth in this document, including management's assessment of the Company's future plans and operations, may constitute "forward-looking statements" or forward-looking information under applicable securities laws and necessarily involve risks and uncertainties associated with future events. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements or information. For further details see the Advisory at the back of this report.

For convenience, references in this document to "EnCana", the "Company", the "company", "we", "us", "our" and similar references may, where applicable, refer only to or include any relevant direct and indirect subsidiary corporations and partnerships (each a "Subsidiary" or, if more than one, "Subsidiaries") and the assets, activities and initiatives thereof. References to financial results of operations refer to the consolidated financial results of EnCana Corporation and its Subsidiaries, taken as a whole, except where otherwise noted or the context otherwise implies.

This document contains references to measures commonly referred to as non-GAAP measures. Additional disclosure relating to these measures is set forth in the Advisory found at the back of this report.

References to pro forma integrated oil production growth from 2006 volumes reflect the transaction with ConocoPhillips.



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Did you know?

Oil and natural gas products are essential to our everyday lives. We use them to cook our food, heat and cool our homes and fuel our vehicles. But did you know that oil and gas derivatives are also used to make plastics, steel and asphalt? Without them we wouldn't have cars, computers, countless household items such as pots and pans, or the hundreds of other items we use daily.



Did you know?

Natural gas, which is the cleanest burning fossil fuel, accounts for more than 80 percent of EnCana's production. According to the Alberta Department of Energy, the amount of greenhouse gas released from natural gas is significantly lower than emissions from wood, coal and oil. When natural gas replaces these other fuels, emissions of greenhouse gases are reduced as much as 50 percent.

CEO's message



2007 – a year that clearly illustrates the sustainable value-creation capacity of our disciplined North American resource play strategy.

Randy Eresman
President & Chief Executive Officer

EnCana achieved remarkable operational, financial and strategic performance in 2007 – a year when we met or exceeded our targets for production growth, cash flow and capital discipline, and a year that I believe clearly illustrates the sustainable value-creation capacity of our disciplined North American resource play strategy.

2007 marked our first full year focusing exclusively on North American unconventional natural gas and integrated oil resource development. We sharpened our investment and operating discipline by moderating our growth forecast and capital investment to a level that delivered stronger returns. It was also the inaugural year of our integrated oil business, linking our leading steam-assisted gravity drainage (SAGD) oil projects with downstream upgrading and refining. This sustainable business venture lowers the development and marketing risk for our enormous bitumen resources and defines a clear long-term development path to deliver this oil to market. These initiatives set the stage for our strong results – performance that was reflected in our 2007 share price.

During the year, EnCana shares delivered a total return of 27 percent on the TSX in Canadian dollars, while shares on the New York Stock Exchange delivered a total return of 50 percent in U.S. dollars.

Our North American resource play strategy offers shareholders an investment vehicle that targets to maximize returns by sustaining production growth of about 5 percent per year, maintaining the financial discipline to respond to market conditions and

generating a minimum of 10 percent free cash flow that augments value through share purchases and increasing dividends. We capture large early life unconventional resources. We rigorously seek technical and commercial solutions to enhance their value and we use a manufacturing approach for their development. Throughout the entire process we manage operational, financial and reputational risks. All that came together in 2007, a year when our teams executed with excellence.

Natural gas growth per share averages 15 percent

Our 2007 natural gas production growth per share averaged 15 percent, driven by a year-over-year growth of 14 percent from our key resource plays across North America, including 44 percent growth at East Texas (home to the prolific Amoruso field tapping the Deep Bossier formation), 38 percent growth at Cutbank Ridge in British Columbia and 20 percent growth at Jonah in Wyoming. Production from our integrated oil projects at Foster Creek and Christina Lake grew 25 percent on a pro forma basis. Total gas and pro forma oil production increased 11 percent per share.

Our financial performance reflected our strategic initiatives and our field achievements, with cash flow per share up 29 percent to \$11.06, or \$8.5 billion, and operating earnings per share up 37 percent to \$5.36, or \$4.1 billion. Strong refining margins through much of 2007 helped generate \$1.1 billion of operating cash flow from our integrated oil downstream business.

Capital investment was down 4 percent from 2006 to \$6 billion and we generated \$2.4 billion of free cash flow. Underpinning our capital investment were risk management measures – a hedging program that delivered cash flow about \$1.1 billion higher than it would have been at market natural gas prices. Although 2007 benchmark natural gas prices decreased 5 percent, our realized gas prices increased 7 percent due to our hedging program. Our 2007 proved reserves additions were also strong – 227 percent of production and at a highly competitive finding and development cost of \$1.65 per thousand cubic feet equivalent. These strong proved reserves additions, and a major gas acquisition in Texas, continued to build the strength of our natural gas assets across North America.

Dividend doubled, again

As a reflection of our increased confidence in the sustainability of our resource play strategy and our unconventional assets, we doubled our dividend two years in a row, first in March 2007 and again this March. Now at \$1.60 per share annually, our dividend yield is about 2.1 percent based on the March 6 NYSE share price of \$77.50, which ranks it among the leaders of both our integrated and upstream peers.

While we are predominantly focused on North America gas, our operations are diversified across the continent, located in most of the major and emerging production basins. This diversification reduces operating risk in our portfolio and exposes us to opportunities created by ourselves and by others. EnCana's goal is not to be the biggest. It is about having the best asset quality.

Capturing unconventional value deep in Texas

Over the past two years in East Texas, EnCana led the exploration, definition and systematic development of the exciting new Amoruso field, tapping the Deep Bossier gas formation. Late in 2007, we bought our partner's remaining half of this promising play for \$2.55 billion. Deep Bossier wells can flow at enormous rates; one of our recent wells flowed as high as 65 million cubic feet of gas during initial production testing. In the two years since we entered the play

in mid-2005, Amoruso production has grown from zero to more than 215 million gross cubic feet per day. Amoruso is an exciting long-life asset that is at the earliest days of development in the heart of the Texas gas region, close to well-developed processing and transportation infrastructure and highly liquid gas markets that yield some of the strongest field netbacks in North America. East Texas has the potential to become the leading resource play in our North American portfolio.

Integrated oil benefits clearly illustrated during inaugural year of operations

Our upstream SAGD oil production at Foster Creek and Christina Lake grew 25 percent, on a pro forma basis, to about 26,800 barrels per day in 2007.

Construction of additional phases is underway and production in 2008 is expected to grow about 25 percent to average about 34,000 barrels per day. Downstream, our partner ConocoPhillips completed the installation of a new 25,000 barrel-per-day coker at the Borger Refinery, enabling the upgrading of Canadian bitumen. At the Wood River Refinery, engineering and regulatory work continues this year to expand future bitumen upgrading capacity.

EnCana's new refining interests generated strong cash flow as refining margins tracked well above historical levels through the middle of 2007. This helped our integrated oil business generate about \$1.3 billion in operating cash flow, approximately double the company's initial forecast at the start of 2007. The value of our integrated oil business became clearly evident in its first year of operations.

2008 aimed at U.S. natural gas and integrated oil growth

Our land base of 25 million net acres contains approximately 10 years of drilling opportunities within most of the major and emerging producing basins in North America. This abundant and diverse portfolio of organic growth opportunities provides EnCana with the flexibility to reduce risk by redirecting investment to the most attractive locations. With the geological and economic success in our unconventional gas fields, Jonah in Wyoming and Amoruso in East Texas, we are substantially increasing investment

25
percent

We are advancing development of longer term projects such as our SAGD production, which is expected to grow about 25 percent this year.

in our U.S. natural gas production, which is expected to grow by about 25 percent in 2008. We are also advancing development of longer term projects such as our SAGD oil production, which is also expected to grow by about 25 per cent this year, and are progressing expansions of our bitumen refining capacity downstream to accommodate future growth. Add to that the advancement of the Deep Panuke gas project offshore Nova Scotia, which is expected to deliver first gas late 2010. The future growth potential for EnCana is identifiable and reliable.

While the diverse character of our North American geological portfolio offers multiple attractive opportunities, we have reduced our activity in Western Canada, particularly on Crown lands in Alberta. The cumulative effects of increasing Alberta royalties, property taxes and labour costs, plus the strengthening Canadian dollar, have substantially eroded the returns on some of our new and emerging resource plays compared to other opportunities in our portfolio. Consequently, we have temporarily reduced some drilling activity in Western Canada until economic conditions improve. Over the longer term, we believe that the energy industry and the Government of Alberta will need to work together to re-establish the competitiveness of the development of Alberta's significant new and emerging resources.

In 2008, we expect to grow natural gas production by about 6 percent, while oil and natural gas liquids production is expected to decrease slightly, resulting in a total production increase of about 5 percent to about 4.6 billion cubic feet equivalent per day. EnCana expects to fund 2008 capital investment with internally generated cash flow and deliver at least 10 percent free cash flow, which is underpinned by natural gas hedges on about half of our forecasted gas production and our ongoing program of non-core asset divestitures.

Reliable, sustainable value creation for shareholders, reliable energy for people

We continue to focus on a moderate, sustainable pace of growth, capital discipline and the return of cash to shareholders through an ongoing program

of share purchases and increasing dividends. This is our strategy. This is our business. This is our culture at EnCana, a company founded on sound principles of responsible operation. Acting in a conscientious and reliable manner is as important to sustaining our business as finding new energy resources. Throughout our 2007 Annual Report, you will see photos and facts connecting the technology and innovation deployed in our reservoirs and refineries to the delivery of reliable clean-burning natural gas and gasoline to people's homes, vehicles and workplaces. We are working to build a company that can be relied upon in all we do, in all the goals we set, in all the commitments we undertake. We are focused on creating sustainable value for our shareholders as we pursue our mission – energy for people. Integral to this, we contribute favourable, long-lasting benefits for those who live and work in the communities where we also live and operate, and we continually look for ways to reduce our impact on our environment.

As an independent measure of our performance, EnCana was listed on the 2007 Dow Jones Sustainability World and North American indices (DJSI). Companies on the DJSI World represent the leading 10 percent in terms of compliance with social and environmental principles for sustainable development. While we are proud of this recognition and inclusion in this leadership group, we know we have more to do. Building a sustainable company requires continuous effort, and that's our endless focus and pursuit.

On behalf of EnCana's executive team, I want to thank our Board of Directors for its unwavering vision and sound guidance in establishing EnCana as a leader in unconventional gas and integrated oil development. In addition, on behalf of EnCana's leadership team, I want to thank our employees and contractors for a remarkable year of excellent execution and value creation.



Randy Eresman

President & Chief Executive Officer

March 6, 2008



Did you know?

As North America's largest natural gas producer, EnCana's 45,000 wells supplied about 6 percent of Canadian and United States natural gas consumption.

Natural gas

Unconventional* natural gas is expected to be the most significant source of North American production growth – most of our natural gas production is unconventional.

Unconventional natural gas is our focus accounting for approximately 88 percent of our total natural gas production. In 2007, we produced 3.6 billion cubic feet of natural gas per day from approximately 45,000 wells across North America. Production from our nine key gas resource plays represented about 76 percent of our total gas production. Much of our 6 percent natural gas growth in 2007 came from our Cutbank Ridge, CBM and Bighorn resource plays in Canada, and East Texas, Fort Worth and Jonah resource plays in the United States.

A unique feature of EnCana's resource play approach is that our asset teams are continuously making small improvements they then apply to the entire field and, in many cases, across our operations. We identify and apply the most effective technology to our resource plays to increase the amount of gas we recover as we drive down costs over time. As a result, this manufacturing methodology generates small improvements that add up – with benefits ranging from increases in production to efficiency gains and enhanced safety.

The Deep Bossier trend (part of our East Texas resource play), the Jonah field in Wyoming, and the Montney formation (part of our Cutbank Ridge resource play in British Columbia) played key roles in our success last year – in large part due to the successful application of continuous improvements by the asset teams as discussed below.

The strength of the Deep Bossier

EnCana has been active in Texas since 2004. Texas has significant gas resources and well-established regulatory processes, close proximity to markets, and a strong base of experienced service providers.

In November 2007, we expanded our East Texas holdings when we acquired the natural gas and land interests of our Texas-based partner – which included the Amoruso field. Adding to our existing 50 percent stake, the transaction gives us 100 percent ownership of one of the fastest growing and highest potential natural gas fields in North America. As operator of the field since our entry in 2005, we have led the exploration, definition and systematic development of this prolific new geological resource. From our start in 2005 to the end of 2007, the production from the Amoruso field has grown from zero to more than 215 million gross cubic feet per day. We estimate these lands have about 370 net well locations.

The field holds tremendous growth potential in the near and longer term and is among the best new unconventional gas properties in North America. In fact, two of the five most prolific wells drilled onshore in the last five years in the United States produce from the Deep Bossier formation.

As with all our operations, efficiency is a priority in the development of the high-productivity wells in East Texas. In early 2007, we undertook a streamlining initiative for our drilling and completions process resulting in an 8 percent reduction of our well costs within a one-year period. Specialized safety training is both mandatory and ongoing for all employees and contractors operating in and around these high-temperature, high-pressure wells.

Using the subsurface model to optimize results in East Texas

Our efforts in 2007 were focused on delineating the field and acquiring 3-D seismic. The log and seismic data, together with well performance, have helped us develop a subsurface model that we can use to identify and optimize future well locations. The growing production in the Deep Bossier trend demonstrates how knowledge gained from our experience in the Amoruso field and the application of innovative technology can produce tangible results. This additional information influenced our decision to increase our working interest in the field – an acquisition that has further strengthened our unconventional asset base and our demonstrated competitive advantage in North American resource plays.

Two of the five most prolific wells drilled onshore in the United States in the last five years produce from the Deep Bossier formation in Texas.

***Unconventional:** a term that refers to the unique characteristics of reservoirs that require the application of advanced technology to extract the resources.

Prolific Jonah field

EnCana entered the Jonah field in southwest Wyoming in 2000, having purchased the asset from a private company. The field houses a tremendous resource base with original gas in place estimated to be approximately 400 billion cubic feet per section. We drill about 150 wells each year, with production having risen from about 100 million cubic feet per day in 2001 to a forecast of almost 600 million cubic feet per day in 2008.

As with many of our resource plays, Jonah's size allows us to pilot technology, make incremental improvements throughout our development process to enhance value, and apply what we learn to future wells.

In 2007 we substantially increased production from our wells by changing our fracing* fluid to a type that was identified when we piloted new completion techniques. Other innovations at Jonah include portable flowback test units that cut flaring and enable gas production during fracing operations, which increases sales and reduces emissions. We also employ wooden mats to minimize surface impact on sagebrush and other native plants on drilling sites.

Jonah field – making the most of our culture of innovation

Because the field is close to the Wind River mountain range – an environment that requires the highest level of protection under the U.S. Clean Air Act – environmental approvals received in March 2006 indicated we had to either limit our activity or develop technologies that kept emissions to a minimum.

The Jonah operations team evaluated a number of solutions and determined that the best way to reduce emissions was to replace traditional diesel engines with natural gas-powered rigs.

Jonah now has nine natural gas-powered rigs in its fleet. Switching to natural gas has also resulted in substantial cost savings. We estimate saving about \$1 million per rig per year in fuel along with a significant reduction in emissions.

*Fracing or fracturing: a process used to break the formation rock and stimulate gas production from underground hydrocarbon bearing reserves.

560
MMcf/d

In 2007, we produced approximately 560 million cubic feet of gas per day from about 730 wells in the Jonah field.



5.8
fracs

There were on average 5.8 fracs per horizontal well in the Montney formation in 2007.

Horizontal well technology enhances performance in the Montney formation of Cutbank Ridge

We have been building our operations in and around the Bissette area in northeastern British Columbia, for the past decade. Two years ago, within the Cutbank Ridge resource play, we sharpened our focus on the Montney formation. With improved technology, we have increased Montney production from 10 million to 100 million cubic feet of gas per day. We have a significant land position – about 250,000 acres in the core of the play – and have leveraged the knowledge and skills of our employees and contractors to achieve increased operational efficiency through horizontal well technology. This technology employs longer-reaching wells, each with an increased number of fracs, and is at the forefront of the industry. Where once we could complete four fracs per well, we now complete as many as eight. Each horizontal well frac acts like and replaces a vertical well, substantially reducing the number of drilling locations and the surface area of our operations. We currently have 55 vertical wells and 47 horizontal wells in the area.

Horizontal well fracs substantially reduce the number of drilling locations and the area of surface impact.

While much of the knowledge and skill required to make the change to horizontal wells were already inherent on the team, they employed advanced techniques imported from colleagues in the Barnett Shale in Texas that significantly lowered well completion costs and time. In a second step change adopted from offshore applications, that same Montney team in British Columbia was again



able to reduce well completion times, this time by half – a significant achievement that they, in turn, transferred to those same EnCana colleagues operating in Texas.

The asset team's resourcefulness has propelled the progress that has been made in the Montney, first with the horizontal well testing phase in early 2006, to full implementation in 2007. Costs are down by more than 33 percent per completed interval and we are drilling longer wells faster. In addition, the team has significantly reduced the environmental impacts of our operations in combination with company-leading safety performance.



Wood River Refinery

Did you know?

EnCana and our partner, ConocoPhillips, each own a 50 percent interest in the Wood River and Borger refineries. In addition to enabling the Borger Refinery to upgrade heavy oil blends, particularly Canadian bitumen, the 25,000 barrel-per-day coker project completed in 2007 also allows Borger to reduce SO_2 emissions and meet clean fuel regulations for producing ultra-low sulphur diesel and low sulphur gasoline.

Integrated oil

Our business venture with ConocoPhillips, established in January 2007, linked our upstream in-situ* bitumen developments with downstream refining, allowing us to capture the full value chain from our developing bitumen resources. Through this venture, we acquired a 50 percent interest in ConocoPhillips' Wood River and Borger refineries in Illinois and Texas respectively, and ConocoPhillips acquired a 50 percent interest in our Foster Creek and Christina Lake steam-assisted gravity drainage (SAGD) projects in northeast Alberta. EnCana operates the upstream business and ConocoPhillips operates the downstream business.

Our successful first year as an integrated oil business generated operating cash flow** of about \$1.3 billion in 2007.

This integration builds a clear, sustainable, profitable path for the growth of our large bitumen resource. In 2007, we increased production about 25 percent on a pro forma basis to approximately 26,800 barrels per day. By 2015, we expect to increase bitumen production to 200,000 barrels per day net to EnCana.

Coker installation successfully completed at Borger

The installation of a coker was completed at Borger in June 2007, providing the refinery with the ability to upgrade approximately 20,000 barrels of bitumen per day. The Wood River Refinery is planning to add coking capacity to increase its ability to upgrade and refine bitumen.

A coker uses a thermal process for upgrading heavy hydrocarbon residue from crude oil into high-value products, such as gasoline, diesel and jet fuel.

Adding coking capacity to a refinery is beneficial because it allows refineries to process the growing volumes of North American heavy oil, including bitumen. Additionally, by increasing the coking capacity at our refineries we reduce the development and marketing risk of our vast bitumen resources at Foster Creek and Christina Lake.

306
Mbbis/d

Wood River Refinery in Roxanna, Illinois is ConocoPhillips' largest refinery, with 306,000 barrels per day crude oil throughput capacity.

- 50 Mbbis/d bitumen upgrading capacity
- Clean product yield: 80%
- Well-connected to key crude oil pipelines and able to source Canadian crude
- Excellent access to product markets in St. Louis and Chicago

146
Mbbis/d

Borger Refinery, located in the Texas panhandle, has 146,000 barrels per day crude oil throughput capacity.

- 20 Mbbis/d bitumen upgrading capacity
- 45 Mbbis/d NGL processing capacity
- Clean product yield: 90%
- Key product markets located in Texas, New Mexico and Colorado

***In-situ**: the process of separating bitumen from sand while the bitumen is still in the ground.

****Operating cash flow**: revenues, net of royalties less production and mineral taxes, transportation and selling, operating and purchased product expenses.

A proven in-situ oil development leader using SAGD technology

Not all bitumen resources are the same. At EnCana, we believe we have some of the best properties in northeast Alberta, with mineral rights to more than 1.4 million net acres. Whereas bitumen in oilsands deposits close to the surface is developed using mining techniques, our bitumen resources are all contained in deeper reservoirs. This allows us to use SAGD, an in-situ (in place) technology which is more capital and energy efficient, and has a smaller environmental footprint.

With more than 10 years experience operating SAGD projects, we have established a distinct presence as a technology leader.

Our deep bitumen reservoirs allow us to use technologies that have a smaller environmental footprint than bitumen in oilsands deposits that are surface mined.

In general, in-situ bitumen is a thick crude that cannot be economically produced by conventional methods. We currently use SAGD technology, a thermal process using paired horizontal wells that inject steam into the reservoir through one well to melt the bitumen so it can be pumped to the surface through the other well. Our highly experienced technical teams have developed sophisticated methods that place our projects among the most economic and efficient in-situ developments in the industry.

As part of our plan to increase our share of the bitumen production to 200,000 barrels per day by 2015, we are expanding our operations at Foster Creek and Christina Lake. In both our existing operations and expansions, safety, responsible water use, emissions and the size of our surface land footprint are top of mind for everyone working on our projects. While our teams are proud of the success they've achieved in these areas, they continue to pursue new, better and more efficient ways to extract the resources.

Foster Creek and Christina Lake expansion highlights*

- In 2007, we completed an expansion phase at Foster Creek, taking production capacity to 60,000 barrels per day.
- The next two phases at Foster Creek, each 30,000 barrel-per-day expansions, are expected to come on stream by the end of 2008 and mid-2009 respectively.
- Christina Lake is expected to grow productive capacity to 18,000 barrels per day by mid-2008 and development is underway for an additional 40,000 barrel-per-day expansion with initial production expected in 2011.

*Capacity is noted on a 100% basis.



Foster Creek: approximately 150 acres



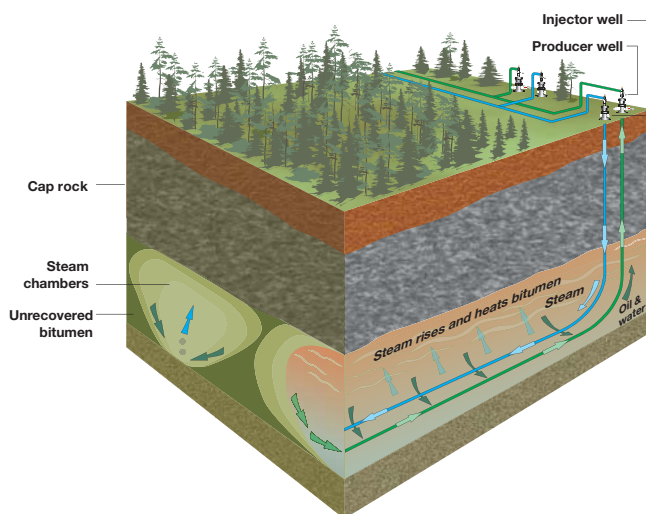
Christina Lake: approximately 200 acres

Foster Creek and Christina Lake processing plants occupy surface space about the size of small Alberta farms.

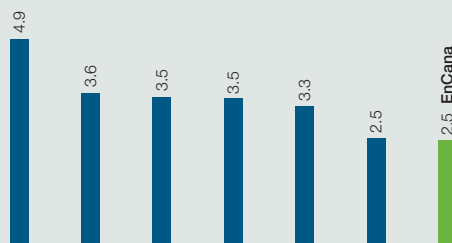
Our bitumen resources are distinctly different from oilsands deposits near the surface. Our resources allow us to take advantage of in-situ SAGD to recover the bitumen rather than recovering it by surface mining.

Steam-assisted gravity drainage: a thermal recovery process using paired horizontal wells

The first of the two horizontal wells – the bitumen producer well – is placed near the bottom of the reservoir. Steam is injected into the second well, which is placed approximately five metres above and parallel to the producer well. The steam heats and melts the bitumen, which enables gravity to assist it to drain into the producer well below, which then (combined with condensed water from the steam) comes through the wellbore to the surface.



EnCana is an industry leader with a steam-oil-ratio of 2.5 barrels of steam for every barrel of oil recovered



Peer companies include CNRL Primrose, IMO, JACOS, Petro-Canada, Shell, and Suncor

Source: Based on Energy Resources Conservation Board data

Innovation at work

An ongoing goal of our oil teams is to find ways to reduce every input into our operations, such as water, steam, steel, natural gas and electricity, and our surface land disturbance, in order to increase the output of oil.

Below are two examples of their ingenuity to increase overall recovery of each well.

Electric submersible pumps (ESPs)

Specifically designed for use in SAGD operations, ESPs work at higher temperature and allow lower pressure operations. With lower pressure SAGD, steam requirements are reduced, thereby minimizing our water and energy use. This gives us a steam-oil-ratio (SOR) of about 2.5 barrels of steam for every barrel of oil recovered, making us a leader in this fundamental measure of SAGD efficiency and performance. These efficiency gains also result in lower operating costs and reduced greenhouse gas emissions.

Solvent-aided process (SAP)

Piloted at our Christina Lake project, SAP is an advanced SAGD technique that combines a solvent, such as butane, with the steam to help dissolve the bitumen and improve recovery from the reservoir. By implementing this process, we expect to use 30 percent less steam per barrel of oil produced, resulting in reduced natural gas and water consumption, and greenhouse gas emissions. Piloting SAP in our in-situ oil operations has demonstrated an enhanced oil production rate up to 30 percent higher than steam-only SAGD.



Did you know?

In addition to investing more than C\$23 million towards projects in the areas of air emissions, renewable energy, energy efficiency and water conservation through our Environmental Innovation Fund, EnCana has committed C\$50 million towards energy efficiency initiatives across our operations in 2008.

Community

At EnCana, we strive to conduct ourselves and our development activities in a manner intended to earn the confidence of our many stakeholders. It is important to us that we are an integral part of the communities where we work and live. Whether we have been in an area for many years or are new to a community, we take that responsibility seriously. We entrust our staff to apply continuous improvements – big and small – to all areas of our business by:

- regularly reviewing our activities in the communities in which we operate
- seeking feedback on our role as a neighbour from landowners, residents, communities and other stakeholders

New Tex fence design an example of our commitment to continuously improve

A discussion with a farmer on the concerns he had with the square Tex fences – the metal fence constructed around a gas wellhead (often the main above-ground indication of gas production after a shallow gas well has been drilled and brought into production) – led to a complete re-examination of the fence design. An EnCana team came up with the solution to make the fence round – addressing the lower crop yield and additional time it was taking to farm around the fence. We began replacing fences in 2007, and plan to expand the program in 2008.



Courtesy – an important value at EnCana



Our award-winning Courtesy Matters™ program emphasizes the shared responsibility contractors and employees have in demonstrating respect and courtesy to the communities in which we operate.

Investing in our communities

From monetary investments, to the provision of goods and services, we look for opportunities that will make a positive, long-lasting difference to a community. EnCana's support totalled more than C\$30 million in 2007. And through our employee charitable giving program, EnCana Cares, EnCana matches the donations employees make. Together, employees and EnCana raised more than C\$3.5 million in 2007, benefiting more than 1,000 not-for-profit organizations. We also encourage our employees to become involved in their communities. Our Employee Volunteer Program promotes and supports volunteerism by providing monetary donations to those organizations to which employees have volunteered time, either individually or as a family.



Did you know?

EnCana's enhanced oil recovery facility in Weyburn, Saskatchewan is the world's largest carbon dioxide (CO₂) sequestration project. So far, more than 10 million tonnes of CO₂ have been injected deep underground. About 30 million tonnes of CO₂ will be stored over the life of the project – the equivalent of taking 6.7 million cars off the road for a year.

Environment

As a significant producer of two vital energy sources, EnCana is committed to ensuring that all our operations are undertaken with the highest standards of environmental responsibility. More than 80 percent of our production is natural gas – the cleanest burning of all hydrocarbon-based fuels. And our bitumen production from northeast Alberta is in-situ.* By their nature, in-situ operations require a much smaller physical footprint than open pit oilsands mining. As well, we use less water for every barrel of oil produced when compared to our competitors with similar facilities. Across our oil and gas operations, we continuously look for ways to evolve both our processes and the technology we use to reduce our overall environmental footprint and increase efficiencies. More information about our corporate responsibility practices appears in our Corporate Responsibility Report, which will be published in June.

Striving to minimize our water use

As an industry leader, EnCana strives for more efficient water use in all our operations through sound and innovative water management practices. For example, our in-situ oil teams have been successful in reducing the amount of water used in our SAGD projects, which require steam to heat the bitumen in order to get it out of the ground. In addition to innovative technologies such as electric submersible pumps and our newly piloted solvent-aided process to reduce our water use, our in-situ oil teams use saline water – which is unfit for human, livestock or wildlife consumption – recycled produced water, and a small amount of new fresh water. In fact, we are currently recycling more than 90 percent of the water used at Foster Creek and approximately 75 percent at Christina Lake.

Clean energy solutions

We're also committed to investing in clean energy technology solutions. Through our Environmental Innovation Fund, we invest in people and ideas that are addressing future solutions. Since its inception, the fund has invested more than C\$23 million in the areas of air emissions, renewable energy, energy efficiency and water conservation. Two examples of the types of projects we invested in during 2007 are:

- Nova Scotia's first in-stream tidal technology centre with a C\$3 million commitment to support the advancement of technologies that have the potential to provide new sources of clean renewable ocean energy.

- A C\$3 million commitment to support NxtGen Emission Controls in field trials of its emission reduction technology. NxtGen Emission Controls is an emerging supplier of diesel emission reduction systems. NxtGen's innovative syngas technology provides a platform to reduce particulate matter, NO_x and greenhouse gas emissions for diesel engines, as well as increase fuel economy.

Recognition for our efforts

EnCana has received numerous awards and recognition for our operations. We are listed on the Dow Jones Sustainability World Index and were recently awarded a Silver Class distinction award in the 'Oil & Gas Producers' category in the Sustainability Yearbook 2008. Produced by Sustainable Asset Management (SAM) Group, the yearbook is considered the world's most comprehensive publication for sustainability trends such as climate change, new energy technologies and the global shortage of natural resources.



*In-situ: the process of separating bitumen from sand while the bitumen is still in the ground.



EnCana recognized for wildlife research support

Determining how to extract energy reserves and minimize the impact on wildlife has proven to be a significant challenge for many years. That's why we have environmental scientists and biologists on our teams, and draw on outside experts when necessary. But we don't just leave it to the experts. As people who live in the communities where we operate, we all have a vested interest in the land, and take our responsibility as stewards of the land seriously. In Colorado, for example, the central Piceance Basin holds huge amounts of energy reserves valuable to North America. It also supports habitat for greater sage grouse, the state's largest migratory mule deer population, and winter range for elk and a diverse variety of other wildlife. We were recently recognized by the Colorado Wildlife Commission and Colorado Division of Wildlife for our support of wildlife conservation efforts to monitor and protect wildlife in that area. These efforts include:

- conducting annual fly overs to collect animal counts for the Colorado Division of Wildlife
- instituting organized efforts to improve the existing wildlife habitat
- developing long-term noxious weed control
- developing a poacher-detecting program with the Colorado Division of Wildlife

And we are currently working with the Colorado Division of Wildlife on three research projects to diminish the impact of natural gas and shale oil development on wildlife in the central Piceance Basin.

Energy efficiency – our everyday business

We are focused on finding and applying tangible and measurable reductions in energy use and emissions across our company. At the beginning of 2007, we launched an energy efficiency initiative that encourages employees to explore energy-efficient improvements within the company. Of the many ideas submitted by employees, more than 40 are currently in various stages of assessment to determine their viability. More than C\$8 million of energy efficiency projects have been identified and financed, which have the potential to reduce CO₂ emissions by about 500,000 tonnes per year. Based on the success of these efforts in 2007, we have committed C\$50 million towards energy efficiency initiatives in 2008.

Another part of the initiative was the launch of an employee rebate program to encourage employees to incorporate energy efficiency into all aspects of their lives. And we have partnered with One Change, a not-for-profit Canadian organization on its Project Porchlight initiative, whereby EnCana is providing C\$1 million to support compact fluorescent light (CFL) bulb delivery to interested communities where EnCana works and lives, beginning in Alberta. By January 2008, approximately 75,000 CFL bulbs had been delivered to households in more than 20 communities.

Energy efficiency in action

When information about a new infrared camera that detects volatile organic compounds came to our attention this past year, EnCana put it to the test. The camera provides real-time infrared detection of gas leaks that are too small to be seen by the human eye or sensed by gas detection instrumentation. In testing the camera, we found and repaired a number of leaks that would have normally gone undetected. While too small to pose a safety risk to the operators or the public, the leaks still represented waste and inefficiency that can be improved upon by the new technology. We are now using this technology across our operations.

In 2008 we have committed \$50 million toward energy efficiency. Every day we strive to employ capital- and energy-efficient methods to minimize our environmental footprint and maximize the recovery of the resources we extract.

Chairman's letter



Integrity, trust and good governance are the pillars upon which the Board has and will continue to direct EnCana.

David P. O'Brien
Chairman of the Board

EnCana achieved considerable financial and operating success in 2007 as it increased shareholder value while acting in accordance with the well-established corporate governance practices mandated and overseen by the Board of Directors.

EnCana fully complies with the applicable corporate governance requirements, including best practices guidelines published by the Canadian securities regulatory authorities, the provisions of the Sarbanes-Oxley Act of 2002 (SOX) and the rules adopted by the U.S. Securities and Exchange Commission pursuant to that Act. We are also in compliance with all applicable New York Stock Exchange requirements. We are committed to the high standards of transparent reporting and accountability.

To help enhance the company's capacity for sustainable growth, EnCana decided in 2007 to establish the position of Chief Risk Officer. The purpose of this new position is to identify, analyze and recommend ways to mitigate all significant risks, including risks that have the potential to impact the sustainability of our resource play strategy.

In 2007, EnCana also developed a new Competition and Antitrust Law Compliance Practice which provides clear direction for addressing competition-related matters in our business. An extensive training program has been developed as part of the new practice.

The Board continues to evaluate EnCana's environmental performance and environmental regulatory developments, in particular the emerging framework on greenhouse gases. As regulations develop, EnCana is analyzing the potential cost

of compliance under a variety of scenarios and is participating with governments and industry in providing input into regulatory development. The company continues to advance opportunities and practices aimed at increasing the energy efficiency of operations and furthering carbon sequestration.

The Board had the pleasure of welcoming three new members. Allan Sawin is a Chartered Accountant who brings a wealth of experience in the oilfield services sector. Wayne Thomson adds expertise in North American and international oil and gas development. Clayton Woitas joined the Board in January 2008 and brings a broad range of experience in the Western Canadian oil and gas sector. Two long-serving Directors, Dennis Sharp and Ken McCready, are retiring from the Board in April. I thank them for their great contributions to EnCana and wish them well in their future endeavours.

I want to express my appreciation to EnCana shareholders for the confidence they continue to demonstrate in the company. My thanks are also extended to the Directors, EnCana's executive team and all employees and contractors. It's a pleasure to work with a group of people so dedicated to the common goal of ensuring EnCana's success.

On behalf of the Board of Directors,

A handwritten signature in black ink, appearing to read 'David P. O'Brien'. The signature is fluid and cursive.

David P. O'Brien
Chairman of the Board



Did you know?

Our newest rigs – known as fit-for-purpose rigs – are automated, allowing us to drill faster and more economically. Most importantly because they are automated, they create a safer work environment for our operators.

Operating summary

After royalties	2007 ⁽¹⁾	2006 ⁽²⁾	2005 ⁽²⁾
Production			
Continuing Operations – North America			
Natural Gas (MMcf/d)			
Canada	2,221	2,185	2,125
U.S.	1,345	1,182	1,095
Total Natural Gas (MMcf/d)	3,566	3,367	3,220
Oil & NGLs (bbls/d)			
Foster Creek & Christina Lake	26,814	42,768	34,379
North America, Other	107,340	114,505	122,428
Total Oil & NGLs (bbls/d)	134,154	157,273	156,807
Total Production from Continuing Operations (MMcfe/d)	4,371	4,311	4,161
Discontinued Operations			
Ecuador (bbls/d)	—	11,996	72,916
Total Production from Discontinued Operations (MMcfe/d)	—	72	437
Total Production (MMcfe/d)	4,371	4,383	4,598
Refinery Operations ⁽³⁾			
Crude Oil Capacity (Mbbls/d)	452	—	—
Crude Oil Runs (Mbbls/d)	432	—	—
Proved Reserves			
Continuing Operations – North America			
Natural Gas (Bcf)			
Canada	7,292	7,028	6,517
U.S.	6,008	5,390	5,267
Total	13,300	12,418	11,784
Oil & NGLs (MMbbls)			
Foster Creek & Christina Lake	595.5	796.1	652.4
Canada, Other	273.4	283.3	280.1
U.S.	58.3	54.0	53.1
Total	927.2	1,133.4	985.6
Total Proved Reserves from Continuing Operations (Bcfe)	18,863	19,218	17,698
Discontinued Operations			
Ecuador (MMbbls)	—	—	135.0
Total Reserves (Bcfe)	18,863	19,218	18,507

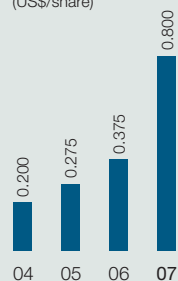
(1) 2007 represents 50% of Foster Creek and Christina Lake production.

(2) 2006 and 2005 represent 100% of Foster Creek and Christina Lake production.

(3) Represents 100% of the Wood River and Borger refinery operations.

Dividends per share

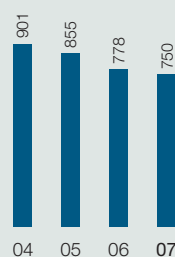
(US\$/share)



In 2007, EnCana doubled its annual dividend to 80 cents per share.

Shares outstanding

(millions of shares)



Over the period shown, EnCana purchased more than 219 million shares.

Forward-Looking Statements

In the interest of providing EnCana shareholders and potential investors with information regarding the Company and its subsidiaries, including management's assessment of EnCana's and its subsidiaries' future plans and operations, certain statements contained in this document constitute forward-looking statements or information (collectively referred to herein as "forward-looking statements") within the meaning of the "safe harbour" provisions of applicable securities legislation. Forward-looking statements are typically identified by words such as "anticipate", "believe", "expect", "plan", "intend", "forecast", "target", "project" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements in this document include, but are not limited to, statements with respect to: potential well and drilling inventories; future economic performance; oil, gas and NGLs production and sales estimates for 2008 and beyond; projections of CAGR, cash flow, free cash flow and dividends which may be paid in the future; potential share purchases under the Company's Normal Course Issuer Bid; projections of future internal rates of return expected from the Company's projects; projections of future drilling, completion and tie-in costs; the potential impact of the implementation of the new Alberta Royalty Framework on EnCana's financial condition and projected 2008 capital investments; the expected timing of, and closing of, the sale of the Company's interests in Brazil; projections with respect to growth of natural gas production from unconventional resource plays and in-situ oil resources, including the expansion of in-situ oil production through 2015; projected results which may be achieved through the use of a solvent aided process in the Company's SAGD operations, including potential operating cost reductions and recovery rate increases; the expansion of the Company's downstream heavy oil processing capacity; the projected impact of land access and regulatory issues; projections relating to the volatility of crude oil prices in 2008 and beyond and the reasons therefor; the Company's projected capital investment levels for 2008 and the source of funding therefor; the effect of the Company's risk management program, including the impact of derivative financial instruments; the Company's defence of lawsuits; the impact of the climate change initiatives on future operating costs; the impact of Western Canada pipeline constraints and potential refinery disruptions on future Canadian crude oil prices; projections that the Company's Bankers' Acceptances and Commercial Paper Program will continue to be fully supported by committed credit facilities and term loan facilities; and projections relating to North American conventional natural gas supplies and the ability of unconventional resource plays to offset future conventional gas production declines over the next few years. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they 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 the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause the Company's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things: volatility of and assumptions regarding oil and gas prices; assumptions based upon EnCana's current corporate guidance; fluctuations in currency and interest rates; product supply and demand; market competition; risks inherent in the Company's and its subsidiaries' marketing operations, including credit risks; imprecision of reserve estimates and estimates of recoverable quantities of oil, bitumen, natural gas and liquids from resource plays and other sources not currently classified as proved; the Company's and its subsidiaries' ability to replace and expand oil and gas reserves; the ability of the Company and ConocoPhillips to successfully manage and operate the North American integrated heavy oil business and the ability of the parties to obtain necessary regulatory approvals; 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 or refining facilities; unexpected difficulties in manufacturing, transporting or refining synthetic crude oil; risks associated with technology; the Company's ability to generate sufficient cash flow from operations to meet its current and future obligations; the Company's ability to access external sources of debt and equity capital; the timing and the costs of well and pipeline construction; the Company's and its subsidiaries' ability to secure adequate product transportation; changes in royalty, tax, environmental and other laws or regulations or the interpretations of such laws or regulations; political and economic conditions in the countries in which the Company and its subsidiaries operate; the risk of international war, hostilities, civil insurrection and instability affecting countries in which the Company and its subsidiaries operate and terrorist threats; risks associated with existing and potential future lawsuits and regulatory actions made against the Company and its subsidiaries; and other risks and uncertainties described from time to time in the reports and filings made with securities regulatory authorities by EnCana. Statements relating to "reserves" or "resources" or "resource potential" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources and reserves described exist in the quantities predicted or estimated, and can be profitably produced in the future. 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. 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.

Oil and Gas Information

EnCana's disclosure of reserves data and other oil and gas information is made in reliance on an exemption granted to EnCana by Canadian securities regulatory authorities which permits it to provide such disclosure in accordance with U.S. disclosure requirements. The information provided by EnCana may differ from the corresponding information prepared in accordance with Canadian disclosure standards under National Instrument 51-101 ("NI 51-101"). The reserves quantities disclosed by EnCana represent net proved reserves calculated using the standards contained in Regulation S-X of the U.S. Securities and Exchange Commission. Further information about the differences between the U.S. requirements and the NI 51-101 requirements is set forth under the heading "Note Regarding Reserves Data and Other Oil and Gas Information" in EnCana's Annual Information Form.

Crude Oil, Natural Gas Liquids and Natural Gas Conversions

In this document, certain crude oil and natural gas liquids ("NGLs") volumes have been converted to millions of cubic feet equivalent ("MMcfe") or thousands of cubic feet equivalent ("Mcf") on the basis of one barrel ("bbl") to six thousand cubic feet ("Mcf"). Also, certain natural gas volumes have been converted to barrels of oil equivalent ("BOE"), thousands of BOE ("MBOE") or millions of BOE ("MMBOE") on the same basis. MMcfe, Mcfe, BOE, MBOE and MMBOE may be misleading, particularly if used in isolation. A conversion ratio of one bbl to six Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not necessarily represent value equivalency at the well head.

Resource Play and Estimated Ultimate Recovery

EnCana uses the terms resource play and estimated ultimate recovery. Resource play is a term used by EnCana to describe an accumulation of hydrocarbons known to exist over a large areal expanse and/or thick vertical section, which when compared to a conventional play, typically has a lower geological and/or commercial development risk and lower average decline rate. As used by EnCana, estimated ultimate recovery ("EUR") has the meaning set out jointly by the Society of Petroleum Engineers and World Petroleum Congress in the year 2000, being those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from an accumulation, plus those quantities already produced therefrom.

Currency and Non-GAAP Measures

All information included in this document, Management's Discussion and Analysis and the Consolidated Financial Statements and comparative information is shown on a U.S. dollar, after-royalties basis unless otherwise noted. Sales forecasts reflect the mid-point of current public guidance on an after royalties basis. Current Corporate Guidance assumes a U.S. dollar exchange rate of \$1.00 for every Canadian dollar.

Non-GAAP Measures

Certain measures in this document do not have any standardized meaning as prescribed by Canadian generally accepted accounting principles ("GAAP") such as Cash Flow from Continuing Operations, Cash Flow, Cash Flow per share-diluted, Free Cash Flow, Operating Earnings and Operating Earnings per share-diluted, Operating Earnings from Continuing Operations and Adjusted EBITDA and therefore are considered non-GAAP measures. Therefore, these measures may not be comparable to similar measures presented by other issuers. These measures have been described and presented in this document in order to provide shareholders and potential investors with additional information regarding the Company's liquidity and its ability to generate funds to finance its operations. Management's use of these measures has been disclosed further in Management's Discussion and Analysis dated February 21, 2008 contained in the Company's 2008 Annual Report.

Differences in EnCana's Corporate Governance Practices Compared to NYSE Corporate Governance Standards

As a Canadian company listed on the New York Stock Exchange ("NYSE"), EnCana is not required to comply with most of the NYSE Corporate Governance Standards and instead may comply with Canadian Corporate Governance Practices. EnCana is, however, required to disclose the significant differences between its corporate governance practices and the requirements applicable to U.S. companies listed on the NYSE under NYSE corporate governance standards. A summary of these significant differences is available on EnCana's website (www.encana.com). Except as described in this document, EnCana is in compliance with the NYSE corporate governance standards in all significant respects.

Additional Information

Further information regarding EnCana Corporation can be accessed under the Company's public filings found at www.sedar.com and on the Company's website at www.encana.com.

Corporate information

Corporate Officers ⁽¹⁾

Randall K. Eresman
President & Chief Executive Officer

John K. Brannan
Executive Vice-President
(President, Integrated Oil Division)

Sherri A. Brillou
Executive Vice-President, Strategic
Planning & Portfolio Management

Brian C. Ferguson
Executive Vice-President
& Chief Financial Officer

Kerry D. Dyte
Vice-President, General Counsel
& Corporate Secretary

Thomas G. Hinton
Treasurer
(Vice-President, Corporate Finance Group)

William A. Stevenson
Comptroller
(Vice-President, Corporate Finance Group)

Michael M. Graham
Executive Vice-President
(President, Canadian Foothills Division)

Sheila M. McIntosh
Executive Vice-President,
Corporate Communications

R. William Oliver
Executive Vice-President,
Business Development
(President, Midstream & Marketing Division)

Gerard J. Protti
Executive Vice-President, Corporate Relations
(President, Offshore & International Division)

Ivor M. Ruste
Executive Vice-President
& Chief Risk Officer

Donald T. Swystun
Executive Vice-President
(President, Canadian Plains Division)

Hayward J. Walls
Executive Vice-President, Corporate Services

Jeff E. Wojahn
Executive Vice-President
(President, USA Division)

(1) Divisional title in italics.

Board of Directors

David P. O'Brien ⁽⁴⁾⁽⁷⁾
Chairman of the Board
Calgary, Alberta

Ralph S. Cunningham ⁽²⁾⁽³⁾
Houston, Texas

Patrick D. Daniel ⁽¹⁾⁽⁵⁾
Calgary, Alberta

Ian W. Delaney ⁽³⁾⁽⁴⁾
Toronto, Ontario

Randall K. Eresman
Calgary, Alberta

Michael A. Grandin ⁽³⁾⁽⁴⁾⁽⁶⁾
Calgary, Alberta

Barry W. Harrison ⁽¹⁾⁽⁴⁾
Calgary, Alberta

Dale A. Lucas ⁽¹⁾⁽⁵⁾
Calgary, Alberta

Ken F. McCready ⁽²⁾⁽⁵⁾
Calgary, Alberta

Valerie A. A. Nielsen ⁽²⁾⁽⁶⁾
Calgary, Alberta

Jane L. Peverett ⁽¹⁾⁽⁵⁾
West Vancouver, British Columbia

Allan P. Sawin ⁽¹⁾⁽³⁾
Edmonton, Alberta

Dennis A. Sharp ⁽²⁾⁽⁴⁾
Calgary, Alberta & Montreal, Quebec

James M. Stanford, O.C. ⁽¹⁾⁽³⁾⁽⁶⁾
Calgary, Alberta

Wayne G. Thomson ⁽²⁾⁽⁶⁾
Calgary, Alberta

Clayton H. Woitas
Calgary, Alberta

(1) Audit Committee

(2) Corporate Responsibility, Environment,
Health and Safety Committee

(3) Human Resources and
Compensation Committee

(4) Nominating and Corporate
Governance Committee

(5) Pension Committee

(6) Reserves Committee

(7) Chairman of the Board, Chairman of Nominating
and Corporate Governance Committee, and ex
officio member of all other Board committees

Transfer Agents & Registrar

Common Shares

CIBC Mellon Trust Company

Calgary, Montreal & Toronto

BNY Mellon Shareowner Services

Jersey City, New Jersey

Shareholders are encouraged to contact CIBC Mellon Trust Company for information regarding their security holdings. They can be reached via the Answerline at 416-643-5500 or toll-free throughout North America at 1-800-387-0825, or via facsimile at 416-643-5501.

Mailing address

CIBC Mellon Trust Company

P.O. Box 7010

Adelaide Street Postal Station
Toronto, Ontario, Canada M5C 2W9

Internet address

www.cibcmellon.com

Trustee & Registrars

CIBC Mellon Trust Company

Canadian Medium Term Notes

Calgary, Alberta

Toronto, Ontario

The Bank of New York

4.600% Senior Notes

4.750% Senior Notes

5.900% Senior Notes

6.500% Senior Notes

6.500% Senior Notes

6.625% Senior Notes

7.375% Senior Notes

7.650% Senior Notes

8.125% Senior Notes

New York, New York

The Bank of Nova Scotia

Trust Company of New York

6.30% Senior Notes

7.20% Senior Notes

New York, New York

Deutsche Bank Trust

Company Americas

5.80% Senior Notes

(EnCana Holdings Finance Corp.)

New York, New York

Investor information

Auditors

PricewaterhouseCoopers LLP
Chartered Accountants
Calgary, Alberta

Independent Qualified Reserves Evaluators

DeGolyer and MacNaughton
Dallas, Texas

GLJ Petroleum Consultants Ltd.
Calgary, Alberta

McDaniel & Associates Consultants Ltd.
Calgary, Alberta

Netherland, Sewell & Associates, Inc.
Dallas, Texas

Stock Exchanges

Common Shares (ECA)
Toronto Stock Exchange
New York Stock Exchange

Principal Operating Subsidiaries & Partnerships

	Percent Owned (1)
EnCana Marketing (USA) Inc.	100
EnCana Oil & Gas (USA) Inc.	100
EnCana Oil & Gas Partnership	100
FCCL Oil Sands Partnership	50
WRB Refining LLC	50

(1) Includes indirect ownership.

The above is not a complete list of all of the subsidiaries and partnerships of EnCana Corporation.

Annual and Special Meeting

Shareholders are invited to attend the Annual and Special Meeting being held on Tuesday, April 22, 2008 at 2 p.m. local time at the Four Seasons Hotel Toronto:

Regency Ballroom
21 Avenue Road
Toronto, Ontario, Canada

Those unable to do so are asked to sign and return the form of proxy that has been mailed to them.

Annual Information Form (Form 40-F)

EnCana's Annual Information Form (AIF) is filed with the securities regulators in Canada and the United States.

Under the Multi-Jurisdictional Disclosure System, EnCana's AIF is filed as Form 40-F with the U.S. Securities and Exchange Commission.

Shareholder Account Matters

To change your address, transfer shares, eliminate duplicate mailings, have dividends deposited directly into accounts at financial institutions in Canada that provide electronic fund-transfer services, etc., please contact CIBC Mellon Trust Company.

EnCana Website

www.encana.com

EnCana's website contains a variety of corporate and investor information including, among other information, the following:

- Current stock prices
- Annual and Interim Reports
- Information Circular
- News releases
- Investor presentations
- Dividend information
- Shareholder support information
- Corporate Responsibility Report

Additional information, including copies of the 2007 EnCana Corporation Annual Report, may be obtained from:

EnCana Corporation

Investor Relations,
Corporate Communications
1800, 855 – 2nd Street S.W.
P.O. Box 2850
Calgary, Alberta, Canada T2P 2S5
Phone: 403-645-3550
investor.relations@encana.com
www.encana.com

Investor inquiries should be directed to:

Paul Gagne

Vice-President, Investor Relations
403-645-4737
paul.gagne@encana.com

Susan Grey

Manager, Investor Relations
403-645-4751
susan.grey@encana.com

Ryder McRitchie

Manager, Investor Relations
403-645-2007
ryder.mcritchie@encana.com

Media inquiries should be directed to:

Alan Boras

Manager, Media Relations
403-645-4747
alan.boras@encana.com

Abbreviations

bbls	barrels
Bcf	billion cubic feet
Bcfe	billion cubic feet equivalent
CBM	coalbed methane
CO₂	carbon dioxide
Mbbbls	thousand barrels
MMbbbls	million barrels
Mcf	thousand cubic feet
Mcfe	thousand cubic feet equivalent
MM	million
MMcf	million cubic feet
MMcfe	million cubic feet equivalent
NGLs	natural gas liquids
NOx	nitrogen oxide
SAGD	steam-assisted gravity drainage
SO₂	sulphur dioxide
Tcf	trillion cubic feet
Tcfe	trillion cubic feet equivalent



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EnCana Corporation
1800, 855 – 2nd Street S.W.
P.O. Box 2850
Calgary, Alberta, Canada T2P 2S5
Phone: 403-645-2000
www.encana.com