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VIA E-MAIL

January 5, 2007

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Alberta Energy and Utilities Board  
640 - 5 Avenue SW  
Calgary, Alberta T2P 3G4

Attention: Mr. Douglas A. Larder, Q.C.  
General Counsel

Dear Sir:

**Re: Proceeding No. 1457147  
Coalbed Methane (“CBM”) Review Hearing**

I am writing as counsel for ConocoPhillips Canada Resources Corp. (“ConocoPhillips Canada”) in the above matter. I am in receipt of what purports to be a “Surrebuttal Argument” from EnCana Corporation (“EnCana”) dated January 4, 2007. The provision of an opportunity for any party to provide surrebuttal argument is extraordinary and should only be granted sparingly and in unique circumstances not existing in this case. Otherwise the result is an endless circle with no end point of lawyers continuously striving to have the last word.

The hearing process established by the Alberta Energy and Utilities Board’s (“EUB” or “Board”), at the outset of this proceeding and following consultation with all parties, quite properly provided the Applicants/Natural Gas Producers with the sole right of reply. EnCana’s submissions are contrary to the Board’s established hearing process, inconsistent with procedural fairness and should be rejected by the Board.

On December 21, 2006, the EUB requested responses from EnCana and CDP (collectively the “Coal Owners”) by January 4, 2007 on the issue of admissibility of US Patent 6,412,559 and related argument. The Board’s request did not provide for or allow EnCana the opportunity to submit surrebuttal in general, but rather provided EnCana with the limited opportunity to provide a response to the arguments raised by the Natural Gas Producers concerning the new evidence submitted by the Coal Owners improperly and for the first time in argument.

Nothing in EnCana’s January 4, 2007 submissions addresses the subject matter of the Board’s request. EnCana solely addresses the natural gas producers’ submissions in respect of the *Continental Resources of Illinois Inc. v. Illinois Methane LLC* (“*Continental Resources*”) decision

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- a decision first raised in EnCana's November 29, 2006 argument. With respect, this is inappropriate and contrary to Board procedure.

In providing the Natural Gas Producers with the sole right of reply, the Board appropriately treated the Natural Gas Producers as the applicants in this proceeding. Fairness dictates that any party adverse in interest may provide submissions in response to the argument provided by the applicants. EnCana and CDP did so and made their submissions in respect of the *Continental Resources* case at that time. Consistent with procedural fairness and the Board's established hearing process, the Natural Gas Producers were provided with the sole right of reply. It is respectfully submitted that the Board's acceptance of the Coal Owners' purported "Surrebuttal Argument", in respect of a case that they had the full opportunity to address in their reply argument, would be procedurally unfair and inconsistent with the public interest in adhering to established Board hearing processes and in providing certainty and finality to matters before the Board.

ConocoPhillips Canada therefore requests that the Board reject EnCana's January 4, 2007 submissions. Alternatively, if the Board intends to consider EnCana's "Surrebuttal Argument", procedural fairness requires that ConocoPhillips and the other Natural Gas Producers be afforded an adequate opportunity to reply thereto. If you have any questions or concerns please do not hesitate to contact the undersigned.

Yours truly,

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cc: Interested parties