

SPECIAL POINT OF INTEREST:

- *Corridor is planning a Safety Stand Down event with key personnel in March.*
- *Read our Emergency Preparedness Information Sheet enclosed.*

INSIDE THIS ISSUE:

Community Liaison Committee	1
Sponsorship Update	1
Drilling and Completions Update	2
Seismic Activity Update	2
Emergency Preparedness	3
Production Update	5
Safety and Environment Update	5
Upcoming Activities	6

Corridor's Safety Slogan

"At work, rest and play: safety first every day."

Corridor News

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Community Liaison Committee

The Community Liaison Committee (CLC) held its first meeting for 2010 on January 12th. Three Corridor representatives, nine community members and six guests from the community were in attendance.

Updates were given on Seismic, Production, Drilling, Completions, Health Safety & Environment (HSE) and Sponsorship.

Some of the Committee members attended a recent Neighborhood Watch meeting where questions were raised about Corridor's Emergency Response Plans as they relate to public safety. Several Committee members asked Corridor questions about what the residents are to do during an emergency situation and how Corridor would respond.

Corridor does have a comprehensive Emergency Response Plan in place and has been coordinating annual training exercises with the New Brunswick Emergency Measures

Organization (EMO) and the First Responders since 2006 when the gas plant was constructed. Corridor agreed to prepare information for local residents and to give a presentation to the CLC and any other interested local groups. In response to the questions raised, Corridor has included an Emergency Preparedness insert in this newsletter.

A Committee member asked a question about where the water for fracing originated and how it was disposed. Corridor switched to fracing with propane in 2009. However, when water was used for fracing, it came from the Town of Sussex and disposal was at an approved facility in Quebec.

Please note the date change for the next meeting. It will take place on **Wednesday, March 10th at 7:00 pm** at the Penobsquis Fire Hall. If you have any questions or would like to receive a copy of the minutes, please contact Nancy Secord at 433-3066.

Sponsorship Update

Corridor has received seven sponsorship requests from Penobsquis and the surrounding areas to date this year. Sponsorship has been awarded to the following organizations: Dairy Town Mini Girls Rep A Basketball; Virtual-Agent Services (fund raiser for Haiti relief); and the Millstream Valley Snowmobile Club. Requests still under review are: Ducks Unlimited; Sussex Cancer Survivor Support Group; and Poley Mountain.

Given the tragic events that occurred in Haiti, Corridor generously agreed to match all employee donations made to support the Haiti relief efforts. The employee donations were made in time to take advantage of the government matching program so the individual donations were tripled in value.

Drilling and Completions Update

Drilling

The 2010 drilling campaign has commenced for Corridor in the McCully area. The large triple drilling rig, Nabors Rig #58, was moved in mid-February from the top of Dunsinane Hill via the Marvin Farm Road to the D-48 (Moffett) Well Pad adjacent to the McCully Gas Plant. The rig was set up on this previously expanded well pad and the L-37 well was started during the last week of February. The L-37 well will be drilled down to the top of the reservoir at a depth of over 2 kilometers and then the well will be turned and directionally drilled to go horizontal for over an additional kilometer. The well should take approximately 50 days to drill and case, at which point the rig will be shut down until the spring road weight restrictions are lifted in late May.



Pinning the Nabors Rig # 58 Dog House in place at the D-48 Well Pad.

At this point in time, Corridor only plans to drill 1 well early in the year with an additional well possible later in 2010 after the rig has completed operations for Apache Canada Ltd. After the spring weight restrictions are lifted, the rig is planning to be moved to the Elgin area to commence operations for Apache during the summer months. Apache is still finalizing the plans for its drilling campaign.



Positioning the Nabors Rig # 58 Drawworks in place at the D-48 Well Pad.

Completions

Completion operations are currently minimal in the field. There will be several small operations that will take place over the coming weeks, but these will be during daylight hours on sporadic days on varying well pads for servicing the wells that are currently in production.

Seismic Activity Update

- No seismic activities have occurred since the last edition of the newsletter.
- Corridor is tentatively planning a single 2D Seismic line in the western part of the McCully Field. We will provide further updates if Corridor decides to proceed with this small project.



EMERGENCY PREPAREDNESS

Summary

Corridor Resources Inc. (Corridor) is committed to providing healthy, safe and productive workplaces for all persons engaged in activities for our company and to protecting the health and safety of all individuals affected by our operations. Emergency preparedness and response is one of the highest priorities for our company. Corridor has implemented a comprehensive suite of safety and operational procedures to manage our activities and prevent incidents from happening. If an incident should occur, Corridor has developed a Corporate Emergency Response Plan (ERP). This Plan is in compliance with applicable laws and industry standards and outlines roles and responsibilities as well as the actions to be taken in the event of an emergency. The Plan includes annual training and mock exercises that would be used to prepare Corridor, local emergency response facilities and the government in the event of an emergency. Through the Emergency Response Plan and associated training, employees and contractors can anticipate situations of potential risk, pre-plan for emergencies and respond effectively should an incident occur. Corridor acknowledges that every event may be different, and while it is difficult to plan for all eventualities, the development of a plan in advance gives rise to the opportunity to pre-plan for the range of circumstances that might occur, have the proper equipment in place and pursue training of key personnel to deal with such events.

Corridor has conducted internal annual training and table top exercises since 2006 before the gas plant became operational. Corridor conducts table top exercises with its production staff, First Responders, and the New Brunswick EMO in Penobscus as well as its corporate staff in Halifax. Annual Reviews of the Emergency Response Plan have been scheduled to maintain up to date information and incorporate lessons learned in order to maximize the efficiency of the plan and facilitate continuous improvement.

Corridor expects contractors to have their own Emergency Response Plans in place and to be trained and competent in emergency response procedures. This is part of the Contractor Health, Safety, and Environmental Obligations which are included in contracts between Corridor and our Contractors.

Emergency Planning Zone

The Emergency Planning Zone (EPZ) is the area in which people and property could be affected by an incident. In an emergency, the response efforts are directed towards protecting personnel, the public and the environment within the EPZ. Only authorized personnel are permitted in this zone during an emergency. The size of this zone may change as an incident evolves and more information is obtained.

Corridor has utilized a very conservative assumption in adopting an EPZ of 450m around our facilities. The affected area would in most cases be smaller than 450m. The most probable hazard is heat radiation from a fire resulting from a release of natural gas from a pipeline or facility. The release would usually reach its maximum size and temperature within the first 30 minutes. For products, other than natural gas, information from the Material Safety Data Sheet (MSDS), environmental monitoring or the Canadian Transport Emergency Centre (CANUTEC) may be used to determine the size of the EPZ. The size of the zone may be modified by the Incident Commander (IC), in consultation with On Site Coordinator (OSC), and other Emergency Responders.

What should you do if you suspect a natural gas release and you are within 450m of a Corridor facility?

- If you are outside, leave the area quickly and move to a safe location upwind of the potential emergency.
- Immediately **call 911** or contact your local fire, police or RCMP detachment and advise them of the location and details of the situation.
- Avoid any open flames or other sources of ignition.
- Do not start up or shut down motor vehicles or any equipment.
- In your home, do not turn on or off the lights, radios, or any appliances powered by electricity, batteries or natural gas.
- Do not attempt to operate any Corridor valves or equipment.
- Do not attempt to extinguish a natural gas fire.
- Notify Corridor Resources Inc. at **1-800-880-5705** so the emergency can be verified and, if necessary, corrective measures taken.

How would Corridor Resources respond?

In the event of an emergency, the Corridor Emergency Response Plan (ERP) would be immediately activated and Corridor's Emergency Response Teams would be established to manage the emergency response effort and work jointly with First Responders and other external regulatory agencies to control the emergency incident.

All residents within the EPZ who could potentially be affected by the emergency would be contacted by either a Corridor Emergency Response Team member or one of the local First Responders to notify them of the emergency situation and the actions to take. The community notification may be accomplished through: door-to-door contact; telephone communication; and information posted on local TV and radio stations.

Evacuation or sheltering in place are two methods that can be used to protect the public. The decision whether to evacuate or shelter depends on the nature and extent of the emergency. If the decision is made to evacuate or shelter, the focus area would be the EPZ. The priority would be those members of the public closest to the hazard and at the greatest risk.

Corridor is in charge of emergency management within its property fence lines. When the threat or potential effect goes beyond the fence lines, the local First Responders in conjunction with New Brunswick EMO are responsible for emergency management of the site. If sheltering is required, members of the public would be asked to stay in their homes, close windows and doors, and wait for further instruction from First Responders.

Corridor does not have the authority to activate a mandatory evacuation. A mandatory evacuation order for the area covered by Corridor may only be issued by the New Brunswick Minister of Public Safety through a Declaration of State of Emergency. However, Corridor can make a recommendation for voluntary evacuation to the local First Responders who in turn would be responsible for carrying out the voluntary evacuation to completion.

A Reception Centre would be established if a large number of residences need to be evacuated. The Reception Centre is a facility where information would be compiled on evacuees and where evacuees can obtain information about the status of the emergency. The EMO, through the Department of Social Development, has the responsibility to establish a Reception Centre and to maintain essential social services during an emergency when a mandatory evacuation order has been enacted. The EMO representatives may help evacuees by listening to people's concerns, helping to reunite families, arranging for alternate accommodations, etc. If a precautionary, voluntary evacuation is recommended by Corridor for a short duration involving a small number of evacuees, Corridor would activate a Reception Centre at a local motel or other facility to provide information, lodging and meals.

Production Operations Update

Plant and Field Operations

- The gas plant and production facilities operated normally over the past two months, with the exception of a three day shut-down between February 19th and February 22nd to conduct routine maintenance work.
- The office expansion is now complete and everyone is pleased with the increased space.

McCully Expansion

- There was no expansion work undertaken since the last edition of the newsletter.
- The tie-in of the D-48 Well Pad to connect the L-37 well may take place once the well is completed.
- We will be making modifications to the gas plant over the next two months to accommodate the plant expansion which is scheduled to be completed by October 1st, 2010.



The McCully Field has experienced some extreme weather events since the beginning of January. Snow removal and ice control methods have created a safer work environment for accessing all sites. Waist Deep in Snow from Left to Right: Cody Hayes (Nabors), Larry Benson (Nabors), and Dave Dunbar (Corridor)

Safety and Environment

Corridor's Quality, Health, Safety and Environment (QHSE) Department is continuing its support of field operations in and around the Penobsquis area. Corridor's Field HSE Advisor, Kirk Fraser, conducted a group 2010 HSE Orientation session for approximately 75 contractors. Other contractor HSE orientations were held at the McCully Gas Plant and for Drilling and Completions activities. To date in 2010, approximately 175 contractors have received the Corridor orientation.

The QHSE Department contributed to the successful rig move from the I-39 (Folkins) Well Pad at the top of Dunsinane Hill to its current drilling location at the D-48 Well Pad. Several heavy and oversized loads had to be transported by local drivers through some unforgiving conditions. Mud, snow, rain and ice proved to be challenging, but due to pre-planning, diligence and hard work by all those involved, the rig move was conducted without incident. Corridor's Field HSE Advisor and HSE Coordinator conducted preliminary inspections of the Nabors Rig # 58 and its immediate surroundings. They also participated in the Pre-Spud Safety Meeting, which was conducted on site before operations began. This Pre-Spud Safety Meeting is intended to review the upcoming activities and the importance of safety and the environment in all aspects of the program.

Despite best efforts by Corridor and its contractors, one First Aid incident occurred since the last edition of the newsletter. A Corridor employee slipped and fell on ice as he exited his vehicle near the access gate to the G-48 (Moffett) Well Pad. As a corrective action, the McCully field has been surveyed for areas of slipping hazards and has subsequently been sanded to help prevent any future occurrences.

Corridor is planning to hold a "Safety Stand Down" event with its key personnel and contractors in the field in March. The Safety Stand Down was developed by Enform as a designated time for CEOs, Executives, and Managers to talk about safety issues directly with frontline workers, away from the office environment. This is the third year that Corridor has held such an event in the field. Corridor's president and managers will be visiting both the Corridor Gas Plant and Nabors Rig # 58 to share the safety message of "Together We Will Make a Difference". For more information on this event, please visit the Enform website <http://enform.ca/Safetystanddown/>.

Upcoming Activities

- The next newsletter will be published on April 30th, 2010.
- The next meeting of the Community Liaison Committee is scheduled for **Wednesday, March 10th**, 2010 from 7:00-8:00 PM at the Penobsquis Fire Hall.
- The next McCully Joint Health and Safety Committee meeting is scheduled for March 9th, 2010 from 11:00 AM to 1:00 PM at the Timberland Motel.

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We want to hear from you!

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Corridor Resources is a Halifax, Nova Scotia based company focused on exploring and developing natural gas resources in the McCully Field and surrounding areas of southern New Brunswick. The Company has been producing natural gas from the McCully Field to markets through the M&NP pipeline since June 28th, 2007. Corridor also has a number of potentially high impact exploration projects planned in New Brunswick and elsewhere in eastern Canada with a total of 1.9 million net acres under license.

Corridor Mission Statement

Corridor Resources is focused on the exploration and development of oil and gas in eastern Canada. Corridor is dedicated to safe work practices, environmentally responsible operations and the highest level of business integrity. With a strong leadership team supported by devoted employees and contractors, Corridor aims to create shareholder value by expanding its reserves and production while fostering successful partnerships in the communities in which we live and work.