Community Liaison Committee
Meeting Minutes
September 8, 2008

DC#: 70-M-0005-08

Attendees:

Corridor Representation			
Doug Bailey	Corridor Resources Inc.	Dena Murphy	Corridor Resources Inc.
Nancy Secord	Corridor Resources Inc.	Larry Huskins	Corridor Resources Inc.
		Ross McKellar	Atlantic Geophysical Services
Community Representation			
Stewart Duncan	Norma Van de Brand	Manfred Kunze	Allan Teakles
Jayne McQuinn	Heather McCabe		
Department of Environment			
Cathy Dubee			
Guests			
Don MacEachern, resident		Fred Van de Brand, resident	
Terry Bannister, resident		Jeffrey Bannister, resident	
Bruce Northrup, Kings East MLA		Bill Kyte, resident	
Beth Nixon, resident			

1) General

Five Corridor representatives, one Department of Environment representative and six community representatives attended the 16th meeting of the Community Liaison Committee on Monday, September 8, 2008. Doug Bailey, Corridor's Production Operations Manager, chaired the meeting. Guests included residents: Don MacEachern, Fred VandeBrand, Bruce Northrup – Kings East MLA, Bill Kyte, Beth Nixon, Terry Bannister and Jeffrey Bannister.

Minutes from the June 9, 2008 meeting were reviewed. The Outstanding Action Items from the previous meeting were discussed and new issues were identified.

The next Committee meeting will take place on Monday, October 6, 7:00 pm at the Penobsquis Fire Hall.

2) Project Updates

Seismic:

Ross McKellar, Atlantic Geophysical Services, provided a seismic update. The area involved is a 37 km^2 southeast of the McCully field. Corridor is not yet certain that the program will take place but the decision should be made in a few weeks.

Production:

Doug Bailey gave an update on the production activity.

- Production has been normal with a runtime above 95% during the summer.
- A planned shutdown took place August 17 and 18. The major work involved was modifying the methanol regenerator. It is now recovering 75-80% of the methanol, which is being recycled in the gas plant system. This also results in a reduction in the amount of waste methanol water generated by the plant that requires disposal.
- The G-48 (Moffett) well pad tie-in is now in progress. The tie-in on the N-57 (McQuinn) pad is also underway. There will be no other tie-ins until winter.

Drilling:

- The horizontal drilling on the O-76 (Tait) well pad should be finished by the end of September. Rig #58 is planned to move next to the Dunsinane Hill area to drill the first well on the I-39 well pad.
- Rig #86 has moved from G-48 (Moffett) well pad to the new G-36 (Landry) well pad, which is located about 5 km off the Picadilly Road. Drilling is expected to take a month and finish by early October. Seismic may be done in this area pending the results from the drilling.
- There are 2-3 wells planned for the Elgin area. The first is off the Green Road, the second is near Goshen and the third is near Mapleton. Drilling in the Elgin area should be completed by Christmas.
- Three potential new well pads include: D-48 (gas plant) well pad expansion; B-58 (Waddy) well pad expansion; and Dunsinane Road at the top of the hill above the L-38 (McPhee) well pad with access from the I-39 well pad. Drilling may also take place at the P-56 well pad behind Cardwell Farms.

Completions:

- C57 and P67 on the N-57 (McQuinn) well pad should be finished and tied into the plant by the end of the month.
- They will then move to the G-48 (Moffett) well pad beside the turkey barns. After G-48, they will be doing N-66, P-56, and potentially G-36 and Green Road in Elgin.

3) Update on Action Items and New Issues

- **Water Wells on well pads –** A resident questioned how the water on well pads compared. Corridor does test the water wells on the well pads. *ACTION: Corridor is checking its files for data from tests conducted on the water wells on the well pads. The only results located thus far are for the gas plant and the G-48 (Moffett) well pad. The G-48 well pad was tested in January 2008 after drilling had started on this pad and the well met all the Canadian Drinking Water Quality Guidelines maximum acceptable concentrations. The gas plant was tested in September 2008 and it too met the guidelines.*

- **Sponsorship –** Approximately $43,000 has been donated locally from Corridor's Sponsorship Program so far this year. There are more requests still to be reviewed and Corridor plans to make a decision on these requests over the next couple of weeks.
- **McQuinn Field** –The culvert needs to be replaced. *ACTION: Culvert completed.*
- **McQuinn N-57 Well Pad –** There was an issue raised of noises at night that caused a resident to keep the windows closed. *ACTION: The Completions group is finished on that pad now and the snubbers will be on the pad next. Note that fraccing on this pad only took place during daylight hours.*
- **Moffett G-48 Well Pad –** There was an issue raised regarding noise at night and traffic. *ACTION: Traffic should be limited at nighttime. If there are any issues of noise or concerns of the homeowners in the area please call the Corridor office at 433-3066.*
- **Perry Road, Havelock** – Would Corridor make a request to the Department of Transportation to have this road repaired? *ACTION: Doug to follow-up.*
- **Plant roads –**A request was made to trim back the trees on the plant road at the first turn going into the plant. *ACTION: Trees on the plant road are now trimmed and visibility is much better.*
- **Safe Driving –** BJ Services trucks were reported driving too fast and not stopping at stop signs during rig move. *ACTION: Corridor will remind the contractor to follow safe driving practices and obey speed limits.*
- **B-58 (Waddy) Well Pad –** A resident asked if the radioactive pit would be removed from this well pad. The resident thought that the Canadian Nuclear Safety Commission (CNSC) required pits to be removed. Corridor committed to the B-58 landowner to remove the pit at a future date and therefore, in consultation with the landowner, Corridor will remove the pit. Corridor indicated that it is not a CNSC requirement to remove the pit, given the material decays to background levels within 6 to 9 months. *NOTE: On September 9, Lyle Doucette, Operations Manager for ProTechnics (contractor that handles radioactive materials for Corridor), confirmed that the CNSC does not have any requirement to remove sand from the pit once it has decayed below detectable levels. The CNSC is no longer involved with the sand once it has decayed below unconditional release limits, as the material is no longer considered radioactive.*
- **Flaring –** Flaring was also raised as a general issue of concern. When cleaning wells, Corridor has no choice but to flare. Corridor tries to flare as little as possible and the well is connected into the pipeline as soon as possible during the well testing phase. Corridor has reduced the total amount of flaring that takes place.
- **Incidents –** A resident asked if there been any incidents since the last meeting in June. There was an incident with a tractor that got stuck in mud along the pipeline in a farmers field**.** Corridor would like all residents to know that if there is any similar incident in an area of the pipeline to please contact Corridor immediately and Corridor will ensure that the matter is handled in a safe manner. There were also a couple of other incidents that took place. Corridor committed to providing a summary in the minutes. *ACTION: See attached HSE incident summary.*
- **Community Water System** – A resident asked if Corridor will be purchasing water from the Penobsquis Water System for the drilling program. The resident also asked if Corridor had responded to a request from the Cardwell LSD for support of the water system. *ACTION: Corridor Drilling Department to review its water needs to determine if it would consider purchasing water from the local system. Corridor is in the process of*

- **Elgin participation in CLC –** A resident asked if the people of Elgin will be part of the Penobsquis CLC or if they would have their own committee. It is too early to establish a committee in Elgin, given we are just in an exploratory drilling phase and we are not yet sure if drilling in this area will result in a feasible production project. If any of the residents of Elgin are interested in attending the Penobsquis CLC meetings, they are welcome.

Update on HSE incidents since June 9, 2008, CLC meeting:

Corridor regularly reports on its HSE incidents in the CLC meetings and in the Corridor newsletter. Both the CLC minutes and the Corridor newsletter are posted on Corridor's website and therefore accessible to the general public. Note that in the August issue of the newsletter, the HSE incident update was omitted. This will be corrected in the October issue.

Since the June 9 meeting of the CLC, there have been three spill events. On June 27, approximately 16L of hydraulic oil was accidentally released from a contractor's truck hose at the gas plant. During a well control situation at the N-57 (McQuinn) well pad on July 8, approximately 1000L of synthetic based mud (SBM) was released at the rig site while the well control event was being managed. On July 9 at the N-57 (McQuinn)well pad, a completions contractor was loading hoses on a truck when a pail was knocked over, resulting in a release of approximately 5L of oil. In each case, the spill was contained to the well pad, immediately cleaned up and reported as appropriate to the NB Department of Environment.

Corridor and its contractors had 3 First Aids and 1 Medical Treatment case. In the Halifax office in July, one First Aid was incurred when a staple remover was being used and the Medical Treatment was incurred during repetitive computer work. The other two First Aids occurred in July and August on the N-57 well pad with contractors. One involved a chemical exposure with flushing by an eyewash bottle and the other involved a strike to the face with a stainless steel line.

Corridor investigated each incident, determined root cause and implemented corrective actions as appropriate.