

**Report to the BAPE Regarding the Quebec Public Hearing on Seismic  
Surveys in the Gulf of St. Lawrence**

**Presented by:**

**Corridor Resources Inc.**

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## **Preamble**

Corridor Resources Inc. is a publicly traded oil and natural gas exploration and production company based in Halifax, Nova Scotia. The Company has been actively exploring for oil and natural gas onshore on Anticosti Island and the Magdalen Islands and offshore in the Gulf of St. Lawrence. The Company is a producer of natural gas from the McCully Field located near Sussex in southern New Brunswick.

Since 1995, Corridor has been specializing in the exploration for oil and natural gas in the older basins of the Gulf of St. Lawrence including the Ordovician Anticosti Basin and the Carboniferous Magdalens Basin. On Anticosti Island, Corridor partnered with Shell Canada Limited to drill five exploration wells on the Island in 1998 and 1999. Offshore in the Gulf of St. Lawrence Corridor has conducted three marine seismic programs since 1997. The first of these programs was run in 1998 in the central part of the Gulf, including the area covering the giant Old Harry prospect located in deep water (460 meters) in the Laurentian Channel between the Magdalen Islands and the west coast of Newfoundland. A second program was run in December, 2002 to further delineate the Old Harry prospect. A third program was run to survey potential natural gas prospects off the west coast of Cape Breton Island, Nova Scotia.

Corridor has pioneered exploration efforts in the Gulf during the past nine years and is convinced that the Gulf of St. Lawrence has great potential for the development of a major natural gas industry. Corridor has had significant experience in dealing with the environmental issues related to conducting marine seismic in the Gulf area and is convinced that these activities, properly managed and controlled, can be undertaken responsibly from both safety and environmental perspectives. The Company is confident that a new natural gas industry can be opened up to the great benefit of populations surrounding the Gulf and without compromising the fishery and the environment. As a member of the Canadian Association of Petroleum Producers (CAPP) and an experienced player in exploring the Gulf area, Corridor appreciates the opportunity to provide input into these important hearings.

## **Corridor's Seismic Experience Offshore Cape Breton in the Gulf of St. Lawrence**

Corridor has recently undertaken a marine seismic program in shallow water off the west coast of Cape Breton in the same body of water that is the subject of these hearings. Corridor acquired exploration licence EL2368 in July, 1999, covering more than 240,000 hectares offshore along the western margin of the Island. Over 4000 kilometers of old seismic acquired in the 60's and 70's was of poor quality, and Corridor proposed to conduct a new survey to acquire approximately 550 kilometers of modern data across an indicated natural gas prospect in the Cheticamp area. Right from the start Corridor's proposed program was vigorously opposed by the local fishing industry, the tourism industry and environmental interests. Opponents feared that the program would harm the local fishery and drive away marine mammals from the area. In particular, local fishermen expressed fears regarding possible negative impacts the proposed survey may have on the important local snow crab fishery. It was noted that the main opposition came from a small but very vocal group that stirred up a lot of the fears expressed by the fishermen.

As a result of the expressed opposition to the proposed survey, and with a federal election scheduled for November, 2000, the Canadian and Nova Scotia governments ordered that all seismic activities on three licences adjacent to Cape Breton be suspended pending the outcome of public hearings regarding the proposed programs.

The public hearings took place in January/February, 2002 before a Commissioner appointed by the Canada-Nova Scotia offshore Petroleum Board (CNSOPB). A full spectrum of interested parties participated in and made presentations to the hearings. In the end, the Commissioner made recommendations that the CNSOPB appoint a Science Review Panel and an Ad Hoc Committee to undertake intensive reviews of the seismic programs proposed by Corridor and Hunt as part of the regulatory review process for those proposals. The Science Review Panel was composed of eight of the top marine scientists in eastern Canada, each scientist representing one of the stakeholders in the outcome of the process. This panel reported to the Ad Hoc Committee, and both bodies made final reports and recommendations to the regulator (CNSOPB). The whole process culminated in the CNSOPB granting Corridor authorization to proceed with their planned survey under a number of prescribed conditions. All of the information relating to this process is available on the CNSOPB website [www.cnsopb.ns.ca](http://www.cnsopb.ns.ca) under the “archives” section. The conditions of final approval are contained in the press releases section, in a CNSOPB press release dated November 28, 2003.

In December, 2003, Corridor completed the acquisition of 576 kilometers of new data without any major incidents and without having to incur any shut-downs as a result of marine mammal sightings. Coincident with the acquisition of the seismic, Corridor cooperated with the Department of Fisheries and Oceans (DFO) to undertake science programs regarding the impact of seismic on the valuable snow crab population in the area and the propagation of seismic sound on the seafloor at various distances from the sound source. To Corridor’s knowledge, there have been no discernable negative impacts on the snow crab involved in this study as a result of Corridor’s seismic activity.

### **Recommendations to the BAPE Regarding Approvals for Seismic Programs in the Quebec Sector of the Gulf of St. Lawrence**

As an experienced explorer in the Gulf of St. Lawrence area, Corridor has the following recommendations regarding approvals for seismic programs in the Quebec sector of the Gulf of St. Lawrence:

- (1) Corridor recommends that the BAPE review and take into account the precedent experience regarding the public hearings and committee processes leading up to the approval granted by the CNSOPB for Corridor’s recent seismic program in the southern Gulf of St. Lawrence.
- (2) Corridor recommends that future seismic programs be approved incrementally, capitalizing on the opportunities to measure real effects, if any, of seismic on the fishery and the environment. By taking small steps and monitoring the environmental effects, seismic activities can be advanced without jeopardizing or compromising other stakeholder interests in the Gulf region. Approving and undertaking seismic programs in measured and monitored increments offers an opportunity to undertake meaningful science as activities proceed and to answer some of the legitimate questions that concerned parties may have.

Exploring the Gulf region in a responsible manner offers an opportunity to meaningfully advance the economic well being of citizens surrounding the region without causing harm to other interests in the area. As an old saying goes, ...”we must be careful not to throw the baby out with the bath water”.

Thank you for the opportunity to contribute the benefits of some of Corridor’s experience to the important process regarding these hearings.