

November 10, 2011

Ms. Dena Murphy Quality, Health, Safety & Environment Manager Corridor Resources Inc. #301-5745 Spring Garden Road Halifax, NS B3J 3T2

Dear Ms. Murphy:

Re: Environmental Assessment of Old Harry Prospect Exploration Drilling Program

The staff of the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has conducted a completeness review of the documents entitled *Environmental Assessment of the Old Harry Prospect Exploration Drilling Program* (Stantec October 2011)(the EA report), *Modeling in Support of Corridor Resources Old Harry Exploratory Drilling Environmental Assessment* (S.L. Ross Environmental Research Ltd. (October 2011), and *Old Harry Drilling Mud and Cuttings Dispersion Modelling Final Report* (AMEC 20 May 2011). The purpose of the completeness review was to determine whether the documents contain sufficient information to address matters described in the *Corridor Resources Inc. Exploratory Drilling Program on the Old Harry Prospect, Exploration Licence 1105 Scoping Document* (C-NLOPB August 17, 2011), prior to filing the documents with the Independent Reviewer and with the C-NLOPB's advisory agencies in the Government of Canada and the Government of Newfoundland and Labrador.

The following items listed in the Scoping Document (Scoping Document section numbering provided for ease of reference) do not appear to be addressed in the EA Report. Information to address these items should be submitted to enable us to file the documents as described above.

Section 5.2.1 (Physical Environment)

- Evidence for and consequences of climate change for meteorology and oceanography.
- Summary of natural hazards affecting the seafloor (e.g., submarine landsliding) including events occurring outside the affected area that may affect the affected area.

Section 5.2.2 (Marine and/or Migratory Birds using the Affected Area)

 Means by which bird mortalities associated with project operations may be documented and assessed.

Section 5.2.11 (Air Quality)

- Implications for health and safety of workers that may be exposed to them [air emissions].
- Implications for health and safety of coastal communities.

Section 5.2.12 (Commercial Fisheries)

- A description of fishery activities (including traditional, potential commercial, recreational and aboriginal/subsistence and foreign fisheries) in the Affected Area [added emphasis to indicate information deficiency].
- Consideration of underutilized species and species under moratoria that may be found in the Affected Area as determined by analyses of past DFO research surveys and Industry GEAC survey data, with emphasis on those species being considered for future potential fisheries, and species under moratoria.
- An analysis of the effects of Project operations and accidental events upon the foregoing.

Section 5.2.13 (Accidental Events)

- Modelled physical fate of hydrocarbon spills, including descriptions of models and/or analyses that are employed and the physical data (e.g. circulation) upon which they are based [added emphasis to indicate information deficiency].
- Contingency plans, including relief wells and subsea intervention to shut in or cap well, to be implemented in the event of an accidental release.
- Description of activities associated with emergency response (e.g., dispersant use, burning or cleaning operations).

Section 5.3 (Significance of Adverse Environmental Effects)

"The effects assessment methodology should clearly describe how data gaps are considered in the determination of significance of effects."

Section 5.4 (Cumulative Effects)

"The assessment of environmental effects . . . should include a consideration of environmental effects that are likely to result from the proposed project in combination with other projects or activities that have been or will be carried out."

The "other projects or activities" that are considered in the cumulative effects assessment are not fully and explicitly described in the EA report.

In addition to the foregoing, the following items should be addressed:

- The dispersion of mud and cuttings in the water column, which is described in AMEC (May 2011), does not appear to be considered in the environmental effects analyses described in Section 7 of the EA Report.
- Given the crucial importance of representative crude oil selection to the validity of spill
 modeling results described in the EA report and in S.L. Ross Environmental Research Ltd.
 (October 2011), the greatest detail practicable should be provided to justify this selection.

Therefore, the report entitled Genesis of Reservoir Hydrocarbons and Migration of Oil and Gas within Old Harry Prospect: Two Dimensional Petroleum System Modelling Using 2-D Seismic Lines (98-23-K50 and 98-32) (Mukhopadhyay, P.K. 2011) should be provided.

We are available to provide clarification on the above. Please do not hesitate to contact me at dburley@cnlopb.nl.ca or (709) 778-1403, or Elizabeth Young at eyoung@cnlopb.nl.ca or (709) 778-4232, if there are any questions.

Sincerely yours,

David Burley

Manager, Environmental Affairs

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