

Oil & Natural Gas in NB

New Brunswick Oil & Natural Gas (“ONG”)

General Information:

- First well drilled in 1859 approx 15km southeast of Moncton
- Total ONG wells drilled – 302
- Total ONG wells decommissioned – 208
- Total ONG wells producing – 45 (29-gas wells, 16-oil wells)
- Total ONG wells non-producing – 49
- Since 1990, total ONG wells drilled – 82
- Since 1990, number of horizontal wells drilled – 9 (5-gas wells, 4-oil wells)
- Since 1990, total wells that have been hydraulically fractured – 47
- Deepest well drilled in NB – 4,082m (4.08 km) below ground surface (“bgs”)
- All known natural gas is “sweet” – (no hydrogen sulphide, trace carbon dioxide <0.05%)

McCully Gas Field:

- Located near Penobsquis, NB
- Discovered in 2000
- Producing reservoir is Hiram Brook sandstone (Tight gas sandstone)
- Total ONG wells drilled – 39
- Total ONG wells decommissioned – 0
- Total ONG wells producing – 29 (Natural Gas wells)
- Total ONG wells non-producing – 10
- Gross Proven+probable (“2P”) gas reserve is 94.5 Billion cubic feet (“Bcf”)
- Depth to Hiram Brook is 1,700 – 2,200m bgs
- The Hiram Brook Sandstone is 400 – 850m thick

Stoney Creek Oil Field:

- Located near Hillsborough, NB
- Discovered in 1909
- Producing reservoir is Dawson Settlement sandstone (Tight oil and gas sandstone)
- Total ONG wells drilled – 154
- Total ONG wells decommissioned – 119
- Total ONG wells producing – 16 (Oil wells)
- Total ONG wells non-producing – 19
- Gross 2P gas reserve is 7.9 Bcf
- Gross 2P oil reserve is 1.9 million barrels (“MMbbls”)
- Depth to Dawson Settlement is 700 – 900m bgs
- The Dawson Settlement is approx 350m thick

Shale Gas Information:

- Target reservoir is Frederick Brook Shale
- Both clay-rich shale and carbonate-rich shale
- Shale resource estimate in Sussex-Elgin area is 67.3 Trillion cubic feet ("Tcf")
- Shale resource estimate in Hillsborough area is 10.9 Tcf
- Depth to Frederick Brook Shale is approx 2,000 – 4,000m bgs
- The Frederick Brook Shale can exceed 1,000m in thickness
- There has been 4 shale gas wells drilled in NB

ONG Right Agreements Information:

- Beneficial Energy has Licences to Search totaling 14,135ha
- Contact Exploration has Leases and a Licence to Search totaling 11,150ha
- Corridor Resources has 160,000ha leased
- Irving Oil Limited has 2,150ha leased
- Pétrolia has Licences to Search totaling 92,000ha
- PetroWorth Resources has Leases totaling 7,813ha
- Pieridae Production Limited has 20,440ha leased
- Potash Corporation of Saskatchewan has 9,000ha leased
- SWN Resources Canada has Licences to Search totaling 1,020,000ha
- Windsor Energy has Leases totaling 36,500ha
- Total number of Right Agreements – 73
- Total area covered by Licences to Search – 1,112,630ha
- Total area Leased – 260,558ha