Daly Unit No. 12 - Field Development Plan

- Waterflood development plan includes primary drilling of:
  - 12 verticals (40ac spacing)
  - 26 horizontals (20ac spacing)
    - 3 full-length (1,200-1,400m)
    - 10 ¾-length (900m)
    - 13 half-length (600m)
- After drilling & evaluating initial production performance, Tundra will implement a plan to convert every 2nd hzntl to injection
  - 12 horizontals to be converted
- Tundra recently drilled two Lodgepole horizontals in S26-9-28
  - 200m inter-well spacing
  - Tundra will continue to evaluate performance to determine whether denser inter-well spacing is appropriate for the rest of the Unit
    - To maximize recovery factor without over-capitalizing asset
    - Without jeopardizing waterflood ie. having frac's too close to each other
      - Premature breakthrough

Figure 7A