

Table 1

**Proposed DALY UNIT NO. 7**  
Attached to and made part of an Agreement Entitled  
Daly Unit No. 7 - Unit Agreement

Tract No.	Working Interest			Royalty Interest		Tract Participation	Crown	FH	Lessor Royalty %
	Land Description	Owner	Share %	Owner	Share %				
1	Lsd. 1-22-9-29W1	Tundra Oil & Gas Partnership	100%	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA	100.000%	0.07905686937	100.000000000		
2	Lsd. 2-22-9-29W1	Tundra Oil & Gas Partnership	100%	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA	100.000%	0.14924496098	100.000000000		
3	Lsd. 3-22-9-29W1	Tundra Oil & Gas Partnership	100%	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA	100.000%	0.13891173700	100.000000000		
4	Lsd. 4-22-9-29W1	Tundra Oil & Gas Partnership	100%	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA	100.000%	0.13247475430	100.000000000		
5	Lsd. 5-22-9-29W1	Tundra Oil & Gas Partnership	100%	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA	100.000%	0.08470859373	100.000000000		
6	Lsd. 6-22-9-29W1	Tundra Oil & Gas Partnership	100%	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA	100.000%	0.18284641770	100.000000000		
7	Lsd. 7-22-9-29W1	Tundra Oil & Gas Partnership	100%	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA	100.000%	0.13514276346	100.000000000		
8	Lsd. 8-22-9-29W1	Tundra Oil & Gas Partnership	100%	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA	100.000%	0.09761390346	100.000000000		

**TOTAL      1.00000000000**

TABLE NO. 2

50% of OOIP and 50% 1st 2160 hours Production Method

**Daly Unit No. 7**  
**TRACT FACTORS BASED ON OIL-IN-PLACE (OOIP) & PRODUCTION FIRST 90 PRODUCING DAYS (2160HRS)**  
Determination of Working Interests in Proposed Unit

LSD	OOIP [m3]	Tract Factor 100% OOIP	Tract Factor 50% OOIP	Well	First 90d Oil Vol [m3]	Tract Factor 100% Production	Tract Factor 50% Production	TOTAL Tract Factor
1-22-9-29W1	68841	0.13168080933	0.06584040466	1-22-9-29W1	64.0	0.02643292942	0.01321646471	0.07905686937
2-22-9-29W1	70460	0.13477741283	0.06738870642	2-22-9-29W1	396.6	0.16371250913	0.08185625457	0.14924496098
3-22-9-29W1	46314	0.08859142121	0.04429571060	3-22-9-29W1	458.5	0.18923205280	0.09461602640	0.13891173700
4-22-9-29W1	61925	0.11845260017	0.05922630008	4-22-9-29W1	354.9	0.14649690843	0.07324845422	0.13247475430
5-22-9-29W1	70098	0.13408593826	0.06704296913	5-22-9-29W1	85.6	0.03533124920	0.01766562460	0.08470859373
6-22-9-29W1	68589	0.13119978354	0.06559989177	6-22-9-29W1	568.1	0.23449305186	0.11724652593	0.18284641770
7-22-9-29W1	66200	0.12663003856	0.06331501928	7-22-9-29W1	348.0	0.14365548835	0.07182774418	0.13514276346
8-22-9-29W1	70358	0.13458199611	0.06729099805	8-22-9-29W1	146.9	0.06064581081	0.03032290540	0.09761390346
TOTAL S 1/2 22-9-29W1	522,786	1.00000000000	0.50000000000		2,422.69	1.00000000000	0.50000000000	1.00000000000

**Table 3 - Proposed Daly Unit No. 7 Well List and Status**

<i>UWI</i>	<i>Rig Release Date</i>	<i>On Prod Date</i>	<i>Producing Zone</i>	<i>Status</i>	<i>Type</i>
100/02-22-009-29W1/0	13/06/2001	01/07/2001	BAKKEN	Producing	Vertical
100/03-22-009-29W1/2	10/10/2001	01/10/2001	BAKKEN	Producing	Vertical
100/04-22-009-29W1/2	25/06/2003	01/07/2003	BAKKEN	Producing	Vertical
100/05-22-009-29W1/0	18/06/2003	01/07/2003	BAKKEN	Producing	Vertical
100/06-22-009-29W1/2	03/10/2002	01/10/2002	BAKKEN	Pumping	Vertical
102/07-22-009-29W1/2	06/09/1993	01/07/2003	BAKKEN	Producing	Vertical
100/08-22-009-29W1/2	22/06/2003	01/05/2007	BAKKEN	Producing	Vertical

This well is not included in the Unit.

100/01-22-009-29W1/2	14/06/2003	01/08/2003	LODGEPOLE	Abandoned	Vertical
----------------------	------------	------------	-----------	-----------	----------

TABLE 4 - OOIP Calculations

M Bkkn OOIP Calculation

OOIP = {A\*h\*phi (1-Sw)}/Boi

1m3 = 6.28981 bbl

LSD	Section	Twp	Rge	Avg.Por %	h m	Area m2	Sw est %	1-Sw	Area*h*phi*(1-Sw)	Boi	OOIP m3	OOIP barrels	OOIP MSTB	Formations Present (Lyl B, Lyl A, M Bkkn)	Formation Completed (Lyl B, Lyl A, M Bkkn)	Comment
1	22	9	29	0.2	3	160000	0.45	0.55	52800	1.018	51866	326229.83	326.23	M Bkkn, Lyl B	M Bkkn, Lyl B	
2	22	9	29	0.17	2.6	160000	0.45	0.55	38896	1.018	38208	240322.64	240.32	M Bkkn, Lyl B	M Bkkn, Lyl B	
3	22	9	29	0.165	1.7	160000	0.45	0.55	24684	1.018	24248	152512.45	152.51	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	thin Lyl Sh bet Lyl B and M Bkkn
4	22	9	29	0.16	1.9	160000	0.45	0.55	26752	1.018	26279	165289.78	165.29	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	thin Lyl Sh bet Lyl B and M Bkkn
5	22	9	29	0.16	2	160000	0.45	0.55	28160	1.018	27662	173989.24	173.99	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	thin Lyl Sh bet Lyl B and M Bkkn
6	22	9	29	0.2	2.2	160000	0.45	0.55	38720	1.018	38035	239235.21	239.24	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	thin Lyl Sh bet Lyl B and M Bkkn
7	22	9	29	0.18	2.4	160000	0.45	0.55	38016	1.018	37344	234885.48	234.89	M Bkkn, Lyl B	M Bkkn, Lyl B	
8	22	9	29	0.17	1.9	160000	0.45	0.55	28424	1.018	27921	175620.39	175.62	M Bkkn, Lyl B	M Bkkn, Lyl B	
										Total OOIP	271564	1708085.02	1708.09			

Lower Lyleton A OOIP Calculation

LSD	Section	Twp	Rge	Avg.Por %	h m	Area m2	Sw est %	1-Sw	Area*h*phi*(1-Sw)	Boi	OOIP m3	OOIP barrels	OOIP MSTB	Formations Present (Lyl B, Lyl A, M Bkkn)	Formation Completed (Lyl B, Lyl A, M Bkkn)	Comment
1	22	9	29	0	0	160000	0.4	0.6	0	1.018	0	0.00	0.00	M Bkkn, Lyl B	M Bkkn, Lyl B	
2	22	9	29	0	0	160000	0.4	0.6	0	1.018	0	0.00	0.00	M Bkkn, Lyl B	M Bkkn, Lyl B	
3	22	9	29	0	0	160000	0.4	0.6	0	1.018	0	0.00	0.00	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	
4	22	9	29	0	0	160000	0.4	0.6	0	1.018	0	0.00	0.00	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	
5	22	9	29	0	0	160000	0.4	0.6	0	1.018	0	0.00	0.00	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	
6	22	9	29	0	0	160000	0.4	0.6	0	1.018	0	0.00	0.00	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	
7	22	9	29	0	0	160000	0.4	0.6	0	1.018	0	0.00	0.00	M Bkkn, Lyl B	M Bkkn, Lyl B	
8	22	9	29	0	0	160000	0.4	0.6	0	1.018	0	0.00	0.00	M Bkkn, Lyl B	M Bkkn, Lyl B	

Lyleton B OOIP Calculation

LSD	Section	Twp	Rge	Avg.Por %	h m	Area m2	Sw est %	1-Sw	Area*h*phi*(1-Sw)	Boi	OOIP m3	OOIP barrels	OOIP MSTB	Formations Present (Lyl B, Lyl A, M Bkkn)	Formation Completed (Lyl B, Lyl A, M Bkkn)	Comment
1	22	9	29	0.18	1	160000	0.4	0.6	17280	1.018	16974	106766.13	106.77	M Bkkn, Lyl B	M Bkkn, Lyl B	
2	22	9	29	0.18	1.9	160000	0.4	0.6	32832	1.018	32251	202855.64	202.86	M Bkkn, Lyl B	M Bkkn, Lyl B	
3	22	9	29	0.18	1.3	160000	0.4	0.6	22464	1.018	22067	138795.96	138.80	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	
4	22	9	29	0.18	2.1	160000	0.4	0.6	36288	1.018	35646	224208.87	224.21	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	
5	22	9	29	0.18	2.5	160000	0.4	0.6	43200	1.018	42436	266915.32	266.92	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	
6	22	9	29	0.18	1.8	160000	0.4	0.6	31104	1.018	30554	192179.03	192.18	M Bkkn, Lyl B	M Bkkn, Lyl sh, Lyl B	
7	22	9	29	0.18	1.7	160000	0.4	0.6	29376	1.018	28857	181502.42	181.50	M Bkkn, Lyl B	M Bkkn, Lyl B	
8	22	9	29	0.18	2.5	160000	0.4	0.6	43200	1.018	42436	266915.32	266.92	M Bkkn, Lyl B	M Bkkn, Lyl B	
										Total OOIP	251222	1580138.67	1580.14			

**Tundra Oil & Gas Ltd.**  
**Tundra Daly Sinclair (3-16) Hz 2-17-9-29W1**  
 52134-2011-3077

## SUMMARY OF PVT DATA

### Reported Reservoir Conditions

Original Reservoir Pressure .....	6 165	kPa(a)
Reservoir Temperature .....	30.0	°C

### Pressure-Volume Relations

Saturation Pressure .....	1 186	kPa(g)
Avg. Single-Phase Compressibility .....	8.71	E-7 v/v/kPa ( 34 474 to 1 186 kPa(g) )
Thermal Exp. @ 34 474 kPa(g) .....	1.01318	V at 30.0 °C / V at 15.0 °C

### Reservoir Fluid Viscosity

1.48 mPa·s at 1 186 kPa(g) and 30.0 °C
--

### Separator Test Results

Separator Conditions		Formation Volume Factor (A)	Total Solution Gas/Oil Ratio (B)	Tank Oil Gravity ( °API at 15.6 °C )
kPa(g)	°C			
0	30.0	1.103	21.2	40.5

## Table 6 - Daly Unit 7 Testing Protocol

Testing Type	Current		Post Injection
	Frequency Test/Year	Baseline Data	Frequency Test/Year
Fluid Level	1	Yes	Initial: once/month until fluid level is stable Ongoing: after each change in injection target
Production Testing	4	Yes	Initial: once/month as soon as fluid level changes are observed until total fluid production stabilizes Ongoing: after operation changes (pump change, speed up)
Sulfur Content Testing	1	Yes	Retest if there is a change in production rates: as required
Oil Density Testing	1	Yes	Retest if there is a change in production rates: as required

### Well List

100/01-22-009-29W1/2	Abandoned
100/02-22-009-29W1/0	
100/03-22-009-29W1/2	
100/04-22-009-29W1/2	
100/05-22-009-29W1/0	
100/06-22-009-29W1/2	
102/07-22-009-29W1/2	
100/08-22-009-29W1/2	

## Table 7 - Project Schedule

[illegible]