

**WASKADA UNIT NO. 14
WATERFLOOD EOR PROJECT**

ANNUAL WATERFLOOD PROGRESS REPORT FOR 2015

June 30, 2016

Tundra Oil and Gas Partnership

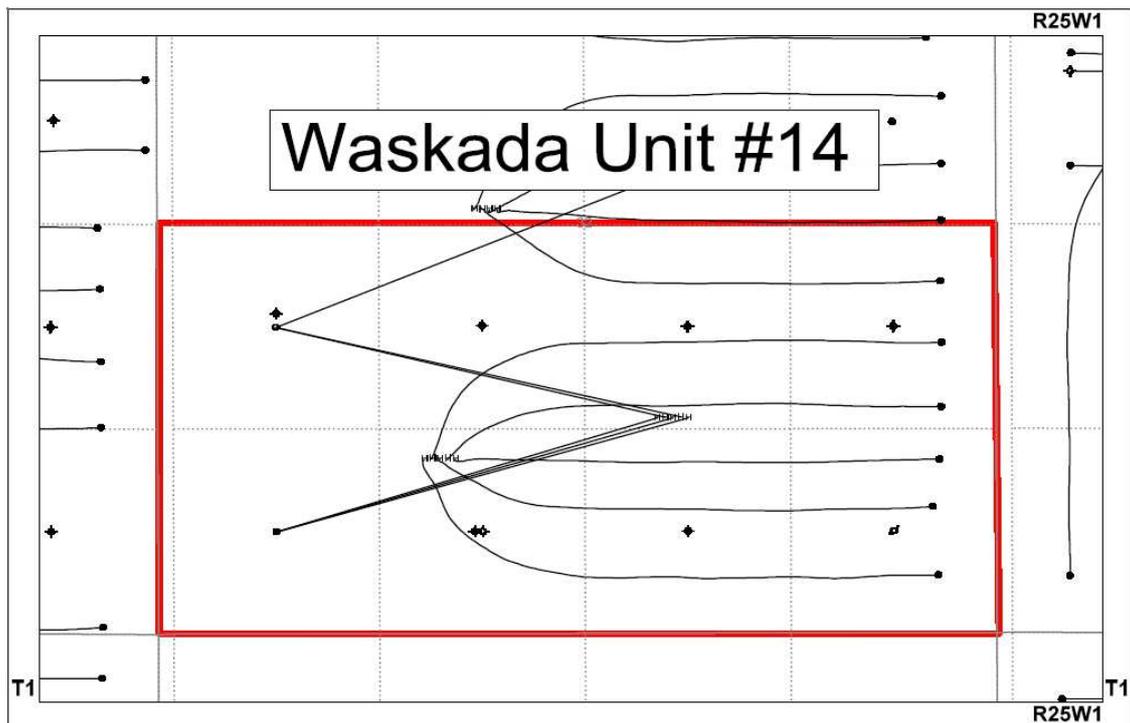
Table of Contents

Introduction	3.
Discussion	4.
Production History	4.
Waterflood EOR Operating Strategy and Performance	5.
Water Source and Quality	5.
Injection Wellhead Pressures	5.
Reservoir Pressure	6.
Well Servicing	6.
Waterflood Performance Discussion	6.
List of Appendices	7.
Table 1: Waskada Unit No. 14 Well List and History	
Table 2: Waskada Unit No. 14 Voidage Replacement Ratio Calculation	
Table 3: Waskada Unit No. 14 Monthly Injection Table	
Table 4: Summary of Producing Wells	

INTRODUCTION

Waskada Unit No. 14 Enhanced Oil Recovery (EOR) Waterflood Project was approved under Board Order No. PM 58 effective February 1988. The Unit area contains 7 abandoned/inactive wells, including 3 abandoned/inactive injectors, and 7 producing/inactive wells in 8 LSDs in Township 1, Range 25 W1 as shown in the figure below.

Figure 1: Waskada Unit 14 Area Outline



In accordance with Section 73 of the Manitoba Drilling and Production Regulation, Tundra hereby submits the following 2015 Annual Progress Report for Waskada Unit No. 14.

DISCUSSION

Production History

For the wells included in Waskada Unit No. 14, production started in October 1982 with the 02/03-32-001-25W1/0 Vertical well. Average oil production peaked for the first time at 4.5 m³/d per well in May 1985. This production was coming from 5 wells and totaled 22.4 m³/d for the whole Unit. The production at the end of December 2015 averaged 0.4 m³/d per well, totaling 1.7 m³/day for the Unit. Water injection commenced in Waskada Unit No. 14 in February 1988 until end of October 1998, and for short periods of time in late 1999 and early 2000. The rates and WOR are presented in Figure 2. There was no water injection through 2015, and there are no plans for injector re-activation.

Figure 2: Waskada Unit 14 Production/Injection Rates and WOR vs Time

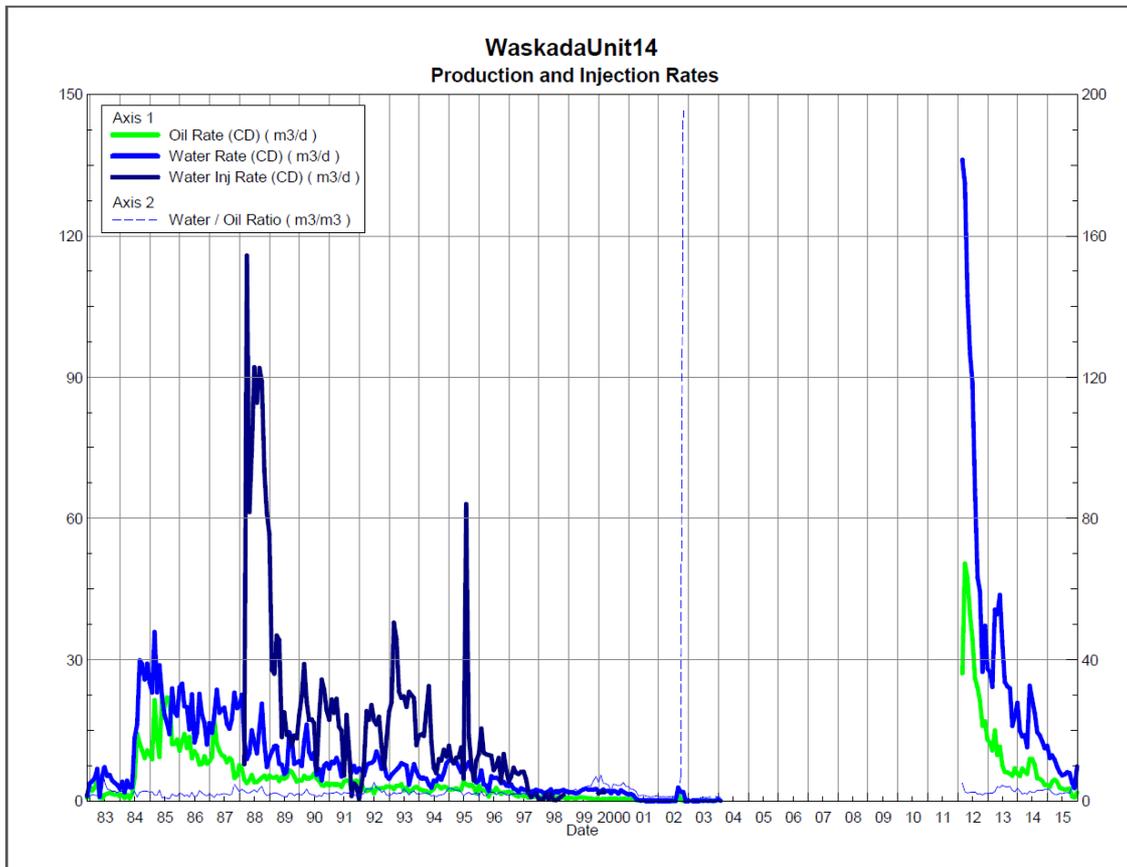
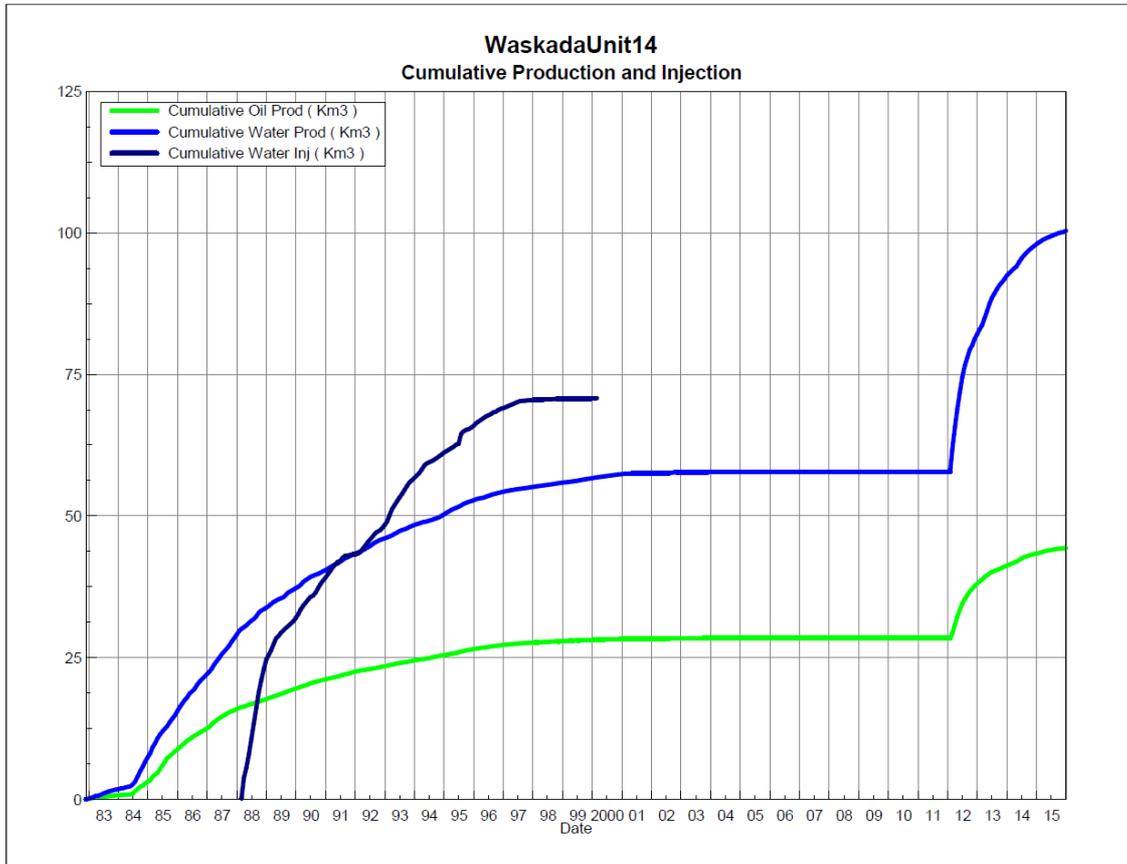


Figure 3 shows the cumulative production for Waskada Unit No. 14 to the end of December 2015 as 44.2 e³m³ of oil, and 100.4 e³m³ of water.

Figure 3: Waskada Unit 14 Cumulative Oil, Water and Water Injected vs Time



Waterflood EOR Operating Strategy and Performance

Corrosion and Scale Prevention

The facilities in Unit 14 are currently using cathodic and chemical protection against corrosion and scale in the new horizontal wells. All facilities are monitored every 3 months to assess the corrosion and ensure that proper electrical current is being supplied. There have been no issues with corrosion or scale to date.

Injection Wellhead Pressures

No injection wellhead pressures were recorded in 2015.

Reservoir Pressure

Where practical, Tundra is committed to collecting pressure data from newly drilled injection wells. Since no new wells were drilled in the Unit, therefore, no pressure surveys were conducted in 2015.

Well Servicing

No well servicing was performed in 2015 for Waskada Unit No. 14.

Waterflood Performance Discussion

From January 1 to December 31 in 2015, Waskada Unit No. 14 produced 3.3 e3m3 of fluid (1.0 e3m3 of Oil, 2.3 e3m3 of Water). There is no active injection in this Unit, and Tundra Oil and Gas has no plans to reactivate injection in the near future. Due to the horizontal wells being produced and no pressure support occurring in the Unit, the cumulative VRR has dropped in the last 15 years, down to 0.468.

Table 2 summarizes the yearly and cumulative VRR for Waskada Unit No. 14.

Figure 4: Waskada Unit 14 Production and Injection Rate

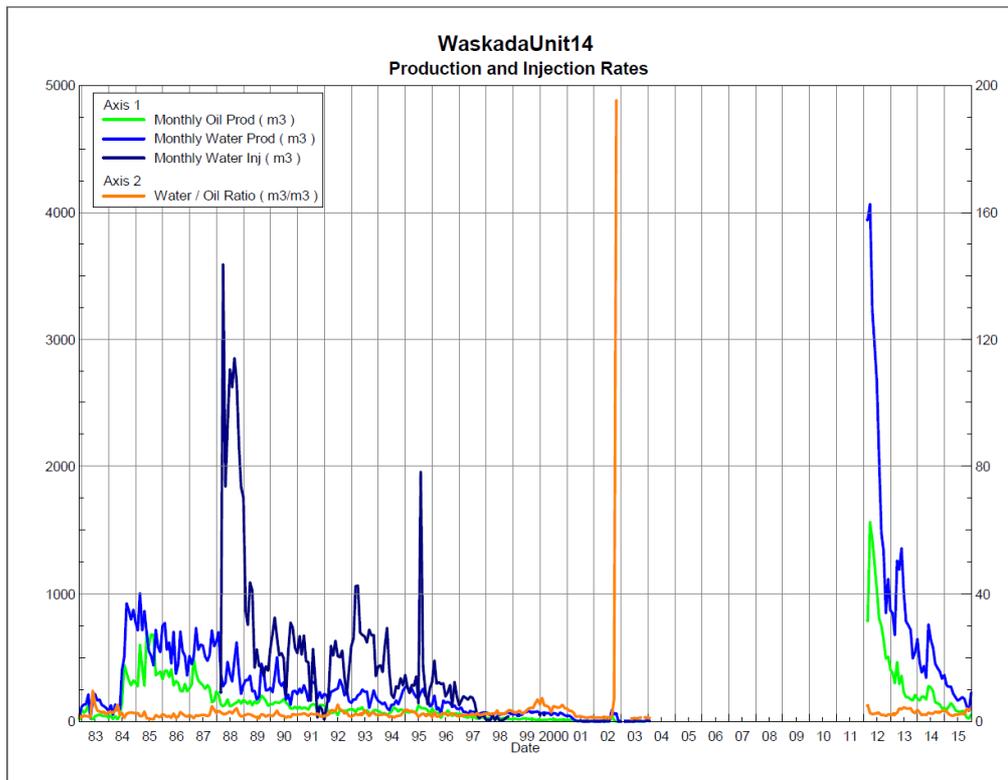


TABLE NO. 1: WASKADA UNIT NO. 14 WELL SUMMARY

<i>UWI</i>	<i>Type</i>	<i>Status</i>	<i>On Prod Date</i>	<i>Cum Prd Oil (m3)</i>	<i>Cum Prd Water (m3)</i>	<i>Last Prod Date</i>	<i>Cum Inj Water (m3)</i>	<i>Last Inj Date</i>
100/01-32-001-25W1/0	Vertical	Injection	11/29/1985	697.9	3912.7	10/31/1992	22263.6	2/29/2000
102/01-32-001-25W1/0	Horizontal	Producing	2/7/2012	1650.8	7842.4	1/31/2015	0	
103/01-32-001-25W1/0	Horizontal	Producing	2/7/2012	2300.1	8145.5	12/31/2015	0	
104/01-32-001-25W1/0	Horizontal	Producing	2/6/2012	3995.1	9016.8	12/31/2015	0	
100/02-32-001-25W1/0	Vertical	Abandoned	11/15/1985	526.9	2699.7	5/31/1989	0	
102/03-32-001-25W1/0	Vertical	Abandoned	11/18/1982	4052	9047.1	9/30/1996	0	
100/04-32-001-25W1/0	Vertical	Producing	6/24/1984	5526.7	15707.6	3/31/2001	0	
100/05-32-001-25W1/0	Vertical	Abandoned	6/20/1984	5294.7	14178.2	2/29/1988	22951	4/30/1993
100/06-32-001-25W1/0	Vertical	Abandoned	2/7/1985	5073.1	6310	10/31/2002	0	
100/07-32-001-25W1/0	Vertical	Abandoned	9/9/1985	605.7	249.7	2/29/1988	25631.4	4/30/1993
100/08-32-001-25W1/2	Vertical	Abandoned	2/4/1985	6625	5556.5	1/31/2004	0	
102/08-32-001-25W1/0	Horizontal	Producing	2/6/2012	2418.8	6949.4	12/31/2015	0	
103/08-32-001-25W1/0	Horizontal	Producing	2/7/2012	2439.4	6520.5	10/31/2015	0	
104/08-32-001-25W1/0	Horizontal	Producing	8/9/2012	3065.5	4261	12/31/2015	0	
				44271.7	100397.1		70846.0	

TABLE NO. 2 - VRR Calculations

Date	Mth Oil Prod m3	Cum Oil Prod m3	Mth Water Prod m3	Cum Water Prod m3	Water Oil Ratio m3/m3	Mth Water Inj m3	Cum Water Inj m3	VRR	Cum VRR
12/31/1982	115	114.900	152	152.000	1.32		0.000	0.000	0.000
12/31/1983	626	740.900	1657	1809.100	2.65		0.000	0.000	0.000
12/31/1984	2368	3108.500	5650	7459.000	2.39		0.000	0.000	0.000
12/31/1985	5679	8787.600	8079	15538.200	1.42		0.000	0.000	0.000
12/31/1986	3714	12502.000	6567	22105.600	1.77		0.000	0.000	0.000
12/31/1987	3407	15909.300	6877	28982.400	2.02		0.000	0.000	0.000
12/31/1988	1772	17681.000	4788	33770.500	2.70	24636	24635.700	3.609	0.455
12/31/1989	1848	19528.800	3453	37223.700	1.87	7335	31970.400	1.315	0.536
12/31/1990	1606	21135.200	3183	40406.300	1.98	7078	39048.700	1.407	0.603
12/31/1991	1372	22507.600	2875	43281.300	2.09	4108	43156.300	0.922	0.624
12/31/1992	966	23473.500	2699	45980.200	2.79	5196	48352.300	1.364	0.663
12/31/1993	1015	24488.300	2351	48331.200	2.32	8285	56637.200	2.355	0.740
12/31/1994	933	25421.700	1878	50208.700	2.01	4441	61078.500	1.505	0.769
12/31/1995	1057	26478.900	2461	52669.200	2.33	4881	65959.300	1.328	0.794
12/31/1996	725	27204.200	1513	54182.100	2.09	3138	69096.800	1.337	0.808
12/31/1997	413	27617.000	861	55043.200	2.09	1419	70516.200	1.063	0.812
12/31/1998	271	27887.800	734	55777.200	2.71	223	70739.200	0.213	0.805
12/31/1999	212	28099.300	798	56575.200	3.77	53	70791.800	0.051	0.796
12/31/2000	155	28254.300	711	57285.800	4.58	54	70846.000	0.061	0.789
12/31/2001	50	28304.500	126	57411.800	2.51		70846.000	0.000	0.788
12/31/2002	73	28377.500	221	57632.800	3.03		70846.000	0.000	0.785
12/31/2003	23	28400.800	27	57660.200	1.18		70846.000	0.000	0.784
12/31/2004	1	28402.000	1	57661.500	1.08		70846.000	0.000	0.784
12/31/2005		28402.000		57661.500			70846.000		0.784
12/31/2006		28402.000		57661.500			70846.000		0.784
12/31/2007		28402.000		57661.500			70846.000		0.784
12/31/2008		28402.000		57661.500			70846.000		0.784
12/31/2009		28402.000		57661.500			70846.000		0.784
12/31/2010		28402.000		57661.500			70846.000		0.784
12/31/2011		28402.000		57661.500			70846.000		0.784
12/31/2012	9628	38029.700	24536	82197.400	2.55		70846.000	0.000	0.563
12/31/2013	3130	41159.500	10278	92475.000	3.28		70846.000	0.000	0.507
12/31/2014	2136	43295.500	5557	98032.000	2.60		70846.000	0.000	0.479
12/31/2015	976	44271.700	2365	100397.100	2.42		70846.000	0.000	0.468

TABLE NO. 3

**Tundra Oil and Gas
Waskada Unit No. 14
2015 Injection Volumes**

Well Location	Date	Hours On	H ₂ O Inj Cal-d avg (m ³ /d)	Monthly Injected H ₂ O (m ³)
Unit No. 14 Total:				
	Jan-15	0	0.0	0.00
	Feb-15	0	0.0	0.00
	Mar-15	0	0.0	0.00
	Apr-15	0	0.0	0.00
	May-15	0	0.0	0.00
	Jun-15	0	0.0	0.00
	Jul-15	0	0.0	0.00
	Aug-15	0	0.0	0.00
	Sep-15	0	0.0	0.00
	Oct-15	0	0.0	0.00
	Nov-15	0	0.0	0.00
	Dec-15	0	0.0	0.00
2015 Group Totals:				0.00
Unit No. 14 Total:				
	1981	0	0	0.00
	1982	0	0	0.00
	1983	0	0	0.00
	1984	0	0	0.00
	1985	0	0	0.00
	1986	0	0	0.00
	1987	0	0.0	0.00
	1988	0	73.2	2,239.61
	1989	0	20.1	611.23
	1990	0	19.5	589.86
	1991	0	11.3	342.30
	1992	0	14.2	433.00
	1993	0	22.8	690.41
	1994	0	12.2	370.11
	1995	0	13.3	406.73
	1996	0	8.6	261.46
	1997	0	3.9	118.28
	1998	0	0.7	22.30
	1999	0	1.7	52.60
	2000	0	1.9	54.20
	2001	0	0.0	0.00
	2002	0	0.0	0.00
	2003	0	0.0	0.00
	2004	0	0.0	0.00
	2005	0	0.0	0.00
	2006	0	0.0	0.00
	2007	0	0.0	0.00
	2008	0	0.0	0.00
	2009	0	0.0	0.00
	2010	0	0.0	0.00
	2011	0	0.0	0.00
	2012	0	0.0	0.00
	2013	0	0.0	0.00
	2014	0	0.0	0.00
	2015	0	0.0	0.00
Group Totals:				6,192.09

TABLE NO. 4

**Tundra Oil and Gas
Waskada Unit No. 14
2015 Production Volumes**

Date	Hours On	Oil Rate (CD) m3/d	Monthly Oil Prod m3	Water Rate (CD) m3/d	Monthly Water Prod m3	Water Oil Ratio m3/m3	Well Count
Jan-15	3,600	2.96	92	9.13	283	3	5
Feb-15	3,252	4.09	115	9.69	271	2	5
Mar-15	3,720	4.62	143	8.80	273	2	5
Apr-15	3,578	4.06	122	7.24	217	2	5
May-15	3,671	2.81	87	6.08	189	2	5
Jun-15	3,540	2.60	78	5.44	163	2	5
Jul-15	3,720	2.43	75	5.63	174	2	5
Aug-15	3,696	2.52	78	6.11	190	2	5
Sep-15	3,600	2.63	79	5.91	177	2	5
Oct-15	2,688	0.95	29	3.80	118	4	4
Nov-15	2,160	0.79	24	2.76	83	4	3
Dec-15	2,808	1.77	55	7.34	228	4	4
	40,033		976		2,365		

Date	Hours On	Oil Rate (CD) m3/d	Monthly Oil Prod m3	Water Rate (CD) m3/d	Monthly Water Prod m3	Water Oil Ratio m3/m3	Well Count
31/12/1982	912	1.87	57	2.47	76	1.41	1
31/12/1983	7656	1.72	52	4.54	138	3.25	1
31/12/1984	16992	6.44	197	15.40	471	2.77	2
31/12/1985	42610	15.59	473	22.25	673	1.63	5
31/12/1986	60387	10.21	310	17.97	547	1.83	7
31/12/1987	62026	9.39	284	18.84	573	2.26	7
31/12/1988	45504	4.84	148	13.08	399	2.69	5
31/12/1989	29736	5.06	154	9.47	288	1.86	3
31/12/1990	34200	4.41	134	8.75	265	1.98	4
31/12/1991	40032	3.76	114	7.88	240	2.11	5
31/12/1992	40872	2.64	80	7.36	225	2.94	5
31/12/1993	32784	2.78	85	6.44	196	2.34	4
31/12/1994	31272	2.55	78	5.14	156	2.05	4
31/12/1995	32880	2.89	88	6.74	205	2.43	4
31/12/1996	31152	1.98	60	4.12	126	2.11	4
31/12/1997	17496	1.13	34	2.36	72	2.12	2
31/12/1998	17280	0.74	23	2.01	61	2.74	2
31/12/1999	17256	0.58	18	2.18	67	4.02	2
31/12/2000	17040	0.43	13	1.95	59	4.68	2
31/12/2001	10200	0.14	4	0.35	11	1.83	1
31/12/2002	10944	0.20	6	0.60	18	21.23	1
31/12/2003	7584	0.07	2	0.08	2	1.09	1
31/12/2004	96	0.04	1	0.04	1	1.08	0
31/12/2005	0	0	0	0	0	0	0
31/12/2006	0	0	0	0	0	0	0
31/12/2007	0	0	0	0	0	0	0
31/12/2008	0	0	0	0	0	0	0
31/12/2009	0	0	0	0	0	0	0
31/12/2010	0	0	0	0	0	0	0
31/12/2011	0	0	0	0	0	0	0
31/12/2012	41,018	28.75	875	73.57	2231	2.50	5
31/12/2013	45,852	8.58	261	28.13	856	3.41	5
31/12/2014	47,262	5.86	178	15.20	463	2.69	6
31/12/2015	40,033	2.69	81	6.49	197	2.67	5
	781,076		3,811		8,617		