

**WASKADA UNIT NO. 8
WATERFLOOD EOR PROJECT**

ANNUAL WATERFLOOD PROGRESS REPORT FOR 2015

April 30, 2016

Tundra Oil and Gas Partnership

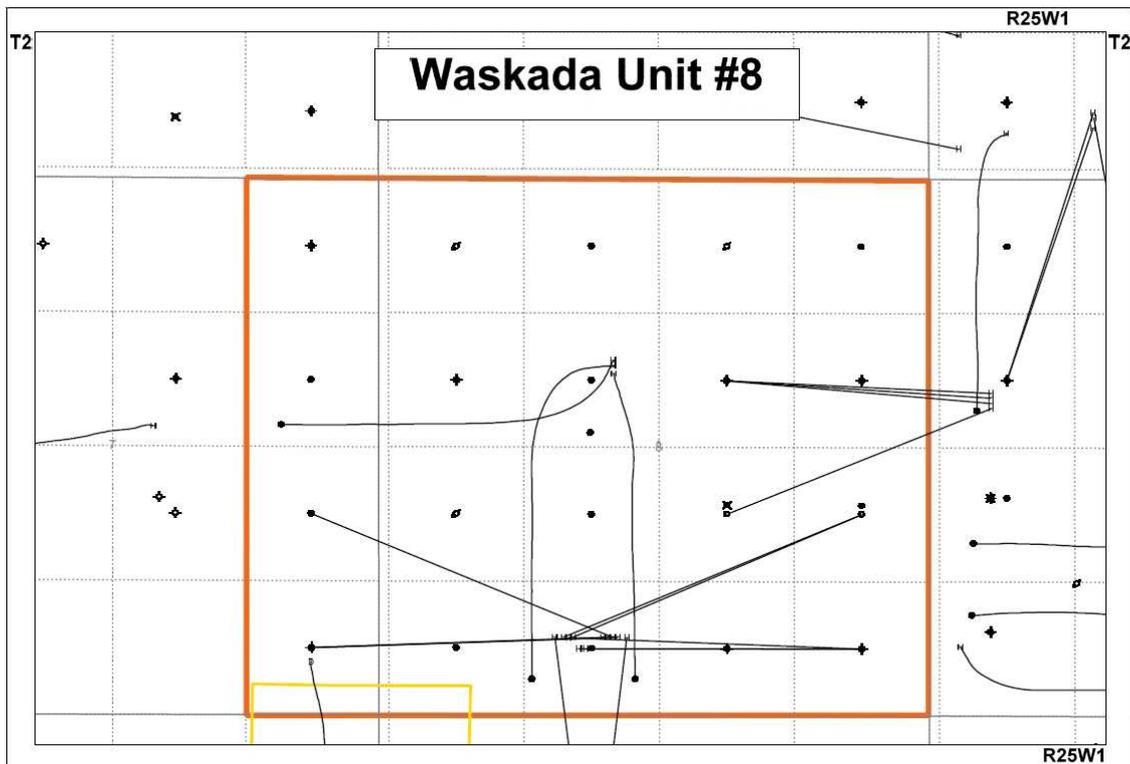
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INTRODUCTION

Waskada Unit No. 8 Enhanced Oil Recovery (EOR) Waterflood Project was approved under Board Order No. PM 58 effective October 1985. The Unit area contains 11 abandoned/suspended wells, including 4 inactive/abandoned injectors, and 13 producing/inactive wells in 20 LSDs in Township 1, Range 25 W1 as shown in the figure below.

Figure 1: Waskada Unit 8 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. 8.

DISCUSSION

Production History

For the wells included in Waskada Unit No. 5, production started in August 1983 with the 00/07-08-002-25W1/0 Vertical well. Average oil production peaked for the first time at 4.4 m³/d per well in February 1985. This production was coming from 19 wells and totaled 83.8 m³/d for the whole Unit. The production at the end of December 2015 averaged 0.4 m³/d per well, totaling 0.5 m³/day for the Unit. Water injection commenced in Waskada Unit No. 8 in October 1985 until end of June 2014. 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 8 Production/Injection Rates and WOR vs Time

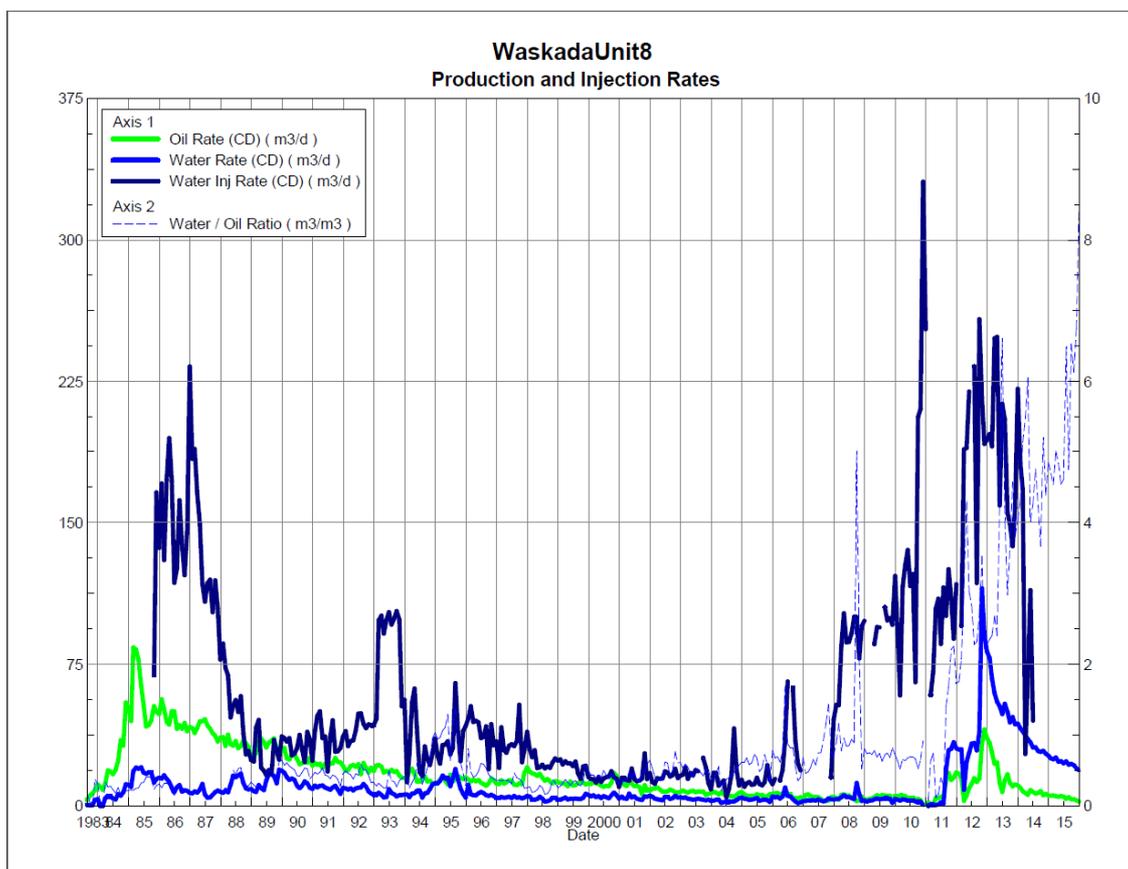
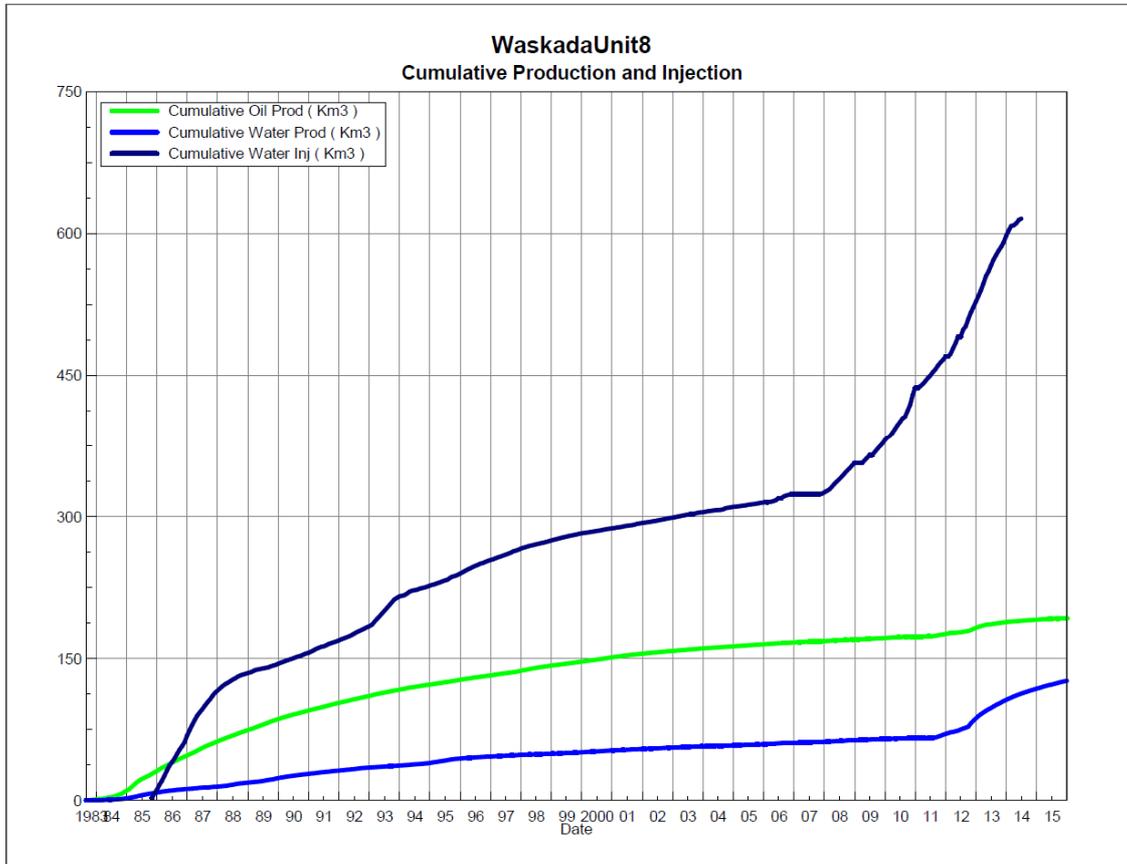


Figure 3 shows the cumulative production for Waskada Unit No. 8 to the end of December 2015 as 192.5 e³m³ of oil, and 126.3 e³m³ of water.

Figure 3: Waskada Unit 5 Cumulative Oil, Water and Water Injected vs Time



Waterflood EOR Operating Strategy and Performance

Corrosion and Scale Prevention

The facilities in Unit 8 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. 8.

Waterflood Performance Discussion

From January 1 to December 31 in 2015, Waskada Unit No. 8 produced 9.8 e3m³ of fluid (1.5 e3m³ of Oil, 8.3 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 2 years, down to 1.771.

Table 2 summarizes the yearly and cumulative VRR for Waskada Unit No. 8.

Figure 4: Waskada Unit 5 Production and Injection Rate

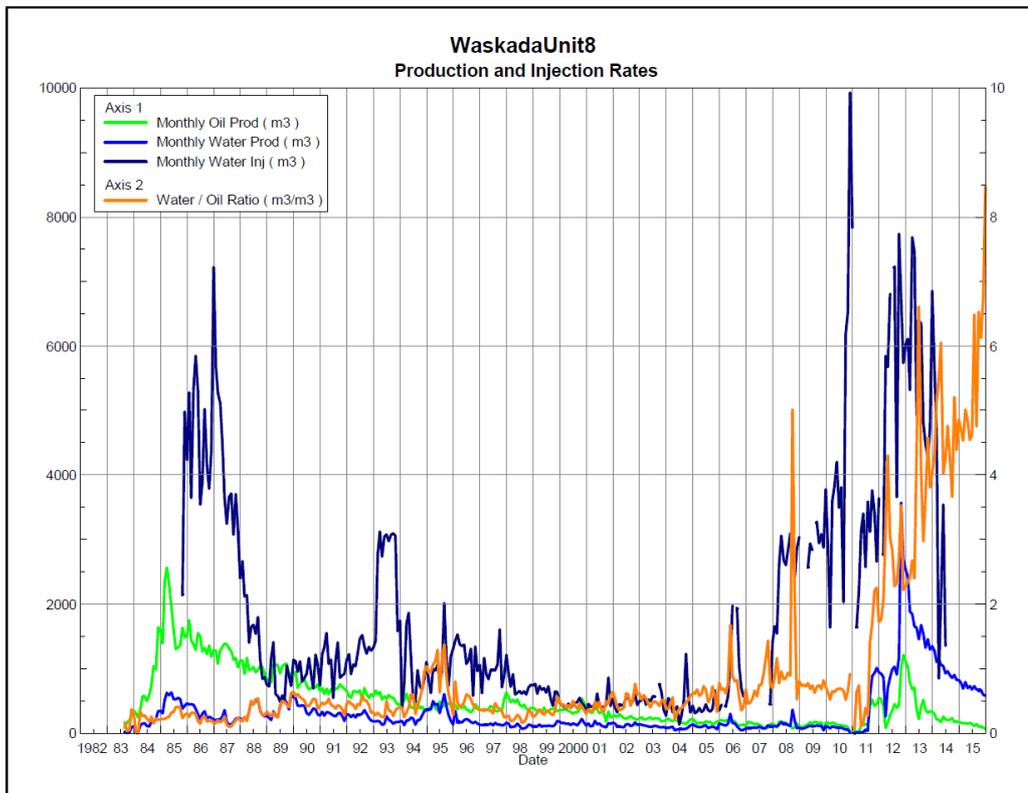


TABLE NO. 1: WASKADA UNIT NO. 8 WELL SUMMARY

UWI	Type	Status	On Prod Date	Cum Prd Oil (m3)	Cum Prd Water (m3)	Last Prod Date	Cum Inj Water (m3)	Last Inj Date
100/01-07-002-25W1/0	Vertical	Abandoned	10/1/1984	237.2	252.9	4/30/1989	0	
100/08-07-002-25W1/0	Vertical	Producing	8/1/1984	9602.3	1963	11/30/2010	0	
100/09-07-002-25W1/0	Vertical	Producing	8/1/1984	12992.7	2313.4	11/30/2010	0	
102/09-07-002-25W1/0	Horizontal	Producing	10/1/2012	6833.5	25223.3	12/31/2015	0	
100/16-07-002-25W1/0	Vertical	Abandoned	10/1/1984	5006.7	4593.5	6/30/1996	0	
100/01-08-002-25W1/0	Vertical	Abandoned	10/1/1984	785.3	985.4	8/31/1988	0	
100/02-08-002-25W1/0	Vertical	Abandoned	6/1/1984	3319.4	1474	2/28/1998	0	
100/03-08-002-25W1/2	Vertical	Producing	11/1/1984	10210.9	8562.8	7/31/2011	0	
102/03-08-002-25W1/0	Horizontal	Producing	8/1/2011	6368.3	26735.3	12/31/2015	0	
103/03-08-002-25W1/0	Horizontal	Producing	9/1/2012	3673.9	8142.7	12/31/2015	0	
100/04-08-002-25W1/0	Vertical	Producing	8/1/1984	23335.1	7753.8	11/30/2010	0	
100/05-08-002-25W1/0	Vertical	Injection	11/1/1983	1970.1	1927.9	9/30/1985	90562.9	6/30/2006
100/06-08-002-25W1/0	Vertical	Producing	10/1/1983	14842.2	3069.5	11/30/2010	0	
100/07-08-002-25W1/0	Vertical	Abandoned	8/1/1983	5593.1	133	10/31/1986	68843.7	11/30/2006
100/08-08-002-25W1/2	Vertical	Comingled	5/1/1985	2225.5	1191.4	10/31/2010	0	
100/09-08-002-25W1/0	Vertical	Abandoned	10/1/1983	3911	2219	7/31/1996	0	
100/10-08-002-25W1/0	Vertical	Abandoned	11/1/1983	13258.9	11600	9/30/2000	0	
100/11-08-002-25W1/0	Vertical	Producing	9/1/1984	20103.9	6611.4	7/31/2011	0	
1A0/11-08-002-25W1/0	Vertical	Producing	11/1/1997	4984.5	776.4	11/30/2010	0	
100/12-08-002-25W1/0	Vertical	Abandoned	11/1/1984	2257.2	1900	7/31/1996	0	
100/13-08-002-25W1/0	Vertical	Injection	10/1/1984	122.2	65.4	9/30/1985	63425.7	6/30/2006
100/14-08-002-25W1/0	Vertical	Producing	8/1/1984	20544.2	2714.7	12/31/2015	0	
100/15-08-002-25W1/0	Vertical	Injection	10/1/1984	545.1	372.7	9/30/1985	392811.7	6/30/2014
100/16-08-002-25W1/0	Vertical	Producing	7/1/1984	19742.3	5747	3/31/2011	0	
				192465.5	126328.5		615644.0	

TABLE NO. 2 - VRR Calculations

Date	Mth Oil Prod m3	Cum Oil Prod Km3	Mth Water Prod m3	Cum Water Prod Km3	Water Oil Ratio m3/m3	Mth Water Inj m3	Cum Water Inj Km3	VRR	Cum VRR
12/31/1983	1072	1072.300	235	235.100	0.22		0.000	0.000	0.000
12/31/1984	9163	10235.500	1921	2155.800	0.21		0.000	0.000	0.000
12/31/1985	20803	31038.100	6068	8223.300	0.29	11348	11348.000	0.378	0.258
12/31/1986	16539	47576.700	3806	12029.100	0.23	57395	68743.300	2.515	1.030
12/31/1987	14757	62333.800	2561	14590.500	0.17	47134	115877.600	2.413	1.343
12/31/1988	11954	74287.500	4154	18744.200	0.35	18592	134469.100	1.039	1.291
12/31/1989	11607	85894.700	4748	23492.000	0.41	9878	144347.300	0.546	1.181
12/31/1990	9024	94918.900	4501	27993.300	0.50	11526	155873.400	0.775	1.137
12/31/1991	8145	103063.500	3456	31449.700	0.42	13196	169069.700	1.029	1.127
12/31/1992	7267	110330.000	3223	34672.600	0.44	14976	184045.200	1.293	1.139
12/31/1993	6629	116958.500	2172	36844.300	0.33	31660	215704.800	3.232	1.259
12/31/1994	5332	122290.200	2716	39560.600	0.51	11248	226952.300	1.271	1.259
12/31/1995	5152	127442.200	4522	44083.000	0.88	12639	239591.700	1.210	1.257
12/31/1996	4673	132115.100	2289	46372.100	0.49	14502	254093.400	1.892	1.281
12/31/1997	4846	136961.100	1641	48013.100	0.34	11958	266051.500	1.658	1.295
12/31/1998	5388	142349.100	1312	49324.700	0.24	8507	274558.400	1.133	1.289
12/31/1999	4273	146622.400	1511	50835.400	0.35	7544	282102.800	1.174	1.285
12/31/2000	4499	151121.800	1830	52665.000	0.41	5226	287329.000	0.746	1.269
12/31/2001	3787	154909.100	1633	54298.100	0.43	5778	293106.600	0.965	1.261
12/31/2002	2960	157868.700	1502	55800.400	0.51	5645	298751.600	1.151	1.259
12/31/2003	2635	160504.000	1268	57068.000	0.48	5693	304444.600	1.325	1.260
12/31/2004	2273	162776.700	1002	58069.600	0.44	5628	310072.800	1.557	1.264
12/31/2005	2022	164798.800	1230	59299.400	0.61	4674	314746.800	1.315	1.265
12/31/2006	1959	166757.900	1500	60799.700	0.77	8710	323457.000	2.321	1.281
12/31/2007	1568	168325.700	1101	61900.700	0.70	1867	325324.000	0.643	1.273
12/31/2008	1590	169915.200	1771	63671.400	1.11	31376	356700.100	8.719	1.377
12/31/2009	1647	171562.000	1181	64852.700	0.72	24265	380964.900	7.891	1.453
12/31/2010	1325	172886.900	842	65695.000	0.64	55871	436835.400	23.615	1.651
12/31/2011	2966	175853.100	4513	70208.100	1.52	33107	469942.000	4.178	1.725
12/31/2012	6432	182285.100	16497	86704.900	2.56	58214	528156.000	2.436	1.782
12/31/2013	6079	188363.900	19527	106232.000	3.21	69391	597547.000	2.617	1.851
12/31/2014	2551	190914.900	11818	118049.700	4.63	18097	615644.000	1.227	1.824
12/31/2015	1551	192465.500	8279	126328.500	5.34		615644.000	0.000	1.771

TABLE NO. 3

**Tundra Oil and Gas
Waskada Unit No. 8
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. 8 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. 8 Total:				
	1981	0	0	0.00
	1982	0	0	0.00
	1983	0	0	0.00
	1984	0	0	0.00
	1985	0	123.8	3,782.67
	1986	0	157.2	4,782.94
	1987	0	129.1	3,927.86
	1988	0	50.9	1,549.29
	1989	0	27.1	823.18
	1990	0	31.6	960.51
	1991	0	36.2	1,099.69
	1992	0	41.0	1,247.96
	1993	0	86.7	2,638.30
	1994	0	30.8	937.29
	1995	0	34.6	1,053.28
	1996	0	39.7	1,208.48
	1997	0	32.8	996.51
	1998	0	23.3	708.91
	1999	0	20.7	628.70
	2000	0	14.3	435.52
	2001	0	15.8	481.47
	2002	0	15.5	470.42
	2003	0	15.6	474.42
	2004	0	15.4	469.02
	2005	0	12.8	389.50
	2006	0	31.7	967.80
	2007	0	30.4	933.50
	2008	0	86.0	2,614.68
	2009	0	99.4	3,033.10
	2010	0	153.1	4,655.88
	2011	0	98.8	3,009.69
	2012	0	190.5	5,821.40
	2013	0	190.1	5,782.58
	2014	0	100.6	3,016.17
	2015	0	0.0	0.00
Group Totals:				58,900.70

TABLE NO. 4

**Tundra Oil and Gas
Waskada Unit No. 8
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	2,292	5.34	166	25.07	777	4.69	3
Feb-15	2,580	5.44	152	24.65	690	4.53	4
Mar-15	2,789	5.10	158	25.55	792	5.01	4
Apr-15	2,856	4.82	145	23.32	700	4.84	4
May-15	2,910	5.20	161	23.61	732	4.54	4
Jun-15	2,767	4.89	147	22.53	676	4.60	4
Jul-15	2,976	3.62	112	23.51	729	6.49	4
Aug-15	2,976	4.59	142	21.82	676	4.75	4
Sep-15	2,832	3.39	102	22.15	664	6.53	4
Oct-15	2,760	3.50	109	21.48	666	6.13	4
Nov-15	2,088	2.94	88	19.88	596	6.75	3
Dec-15	2,112	2.21	69	18.72	580	8.47	3
	31,938		1,551		8,279		

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
31/12/1983	8376	7.01	214	1.54	47	0.19	2
31/12/1984	73008	25.01	764	5.23	160	0.20	9
31/12/1985	146650	57.20	1,734	16.65	506	0.30	17
31/12/1986	141165	45.34	1,378	10.46	317	0.23	16
31/12/1987	129604	40.42	1,230	7.03	213	0.18	15
31/12/1988	127944	32.66	996	11.34	346	0.35	14
31/12/1989	114864	31.79	967	12.98	396	0.41	13
31/12/1990	117960	24.73	752	12.35	375	0.50	14
31/12/1991	119160	22.31	679	9.47	288	0.43	14
31/12/1992	119928	19.86	606	8.80	269	0.44	14
31/12/1993	120528	18.18	552	5.96	181	0.33	14
31/12/1994	112416	14.63	444	7.43	226	0.54	13
31/12/1995	113256	14.12	429	12.39	377	0.89	13
31/12/1996	100224	12.77	389	6.25	191	0.49	11
31/12/1997	88056	13.28	404	4.50	137	0.35	10
31/12/1998	93120	14.78	449	3.59	109	0.25	11
31/12/1999	91296	11.70	356	4.14	126	0.35	11
31/12/2000	89472	12.30	375	5.01	152	0.41	10
31/12/2001	79584	10.37	316	4.47	136	0.44	9
31/12/2002	81264	8.11	247	4.11	125	0.52	9
31/12/2003	77088	7.22	220	3.48	106	0.48	9
31/12/2004	68424	6.21	189	2.74	83	0.44	8
31/12/2005	70200	5.54	169	3.37	102	0.61	8
31/12/2006	75680	5.38	163	4.11	125	0.74	9
31/12/2007	74,335	4.31	131	3.02	92	0.77	9
31/12/2008	65,530	4.34	132	4.85	148	1.31	7
31/12/2009	71,484	4.50	137	3.23	98	0.73	8
31/12/2010	59,032	3.97	120	2.52	77	0.66	7
31/12/2011	14,603	8.09	247	12.31	376	0.98	2
31/12/2012	20,501	17.56	536	45.00	1375	2.71	2
31/12/2013	31,641	16.71	507	53.55	1627	3.66	4
31/12/2014	33,496	6.99	213	32.42	985	4.70	4
31/12/2015	31,938	4.25	129	22.69	690	5.61	4
	2,761,827		16,174		10,561		