

TORC OIL & GAS LTD.

EAST MANSON UNIT #2

ENHANCED OIL RECOVERY (EOR) ANNUAL REPORT

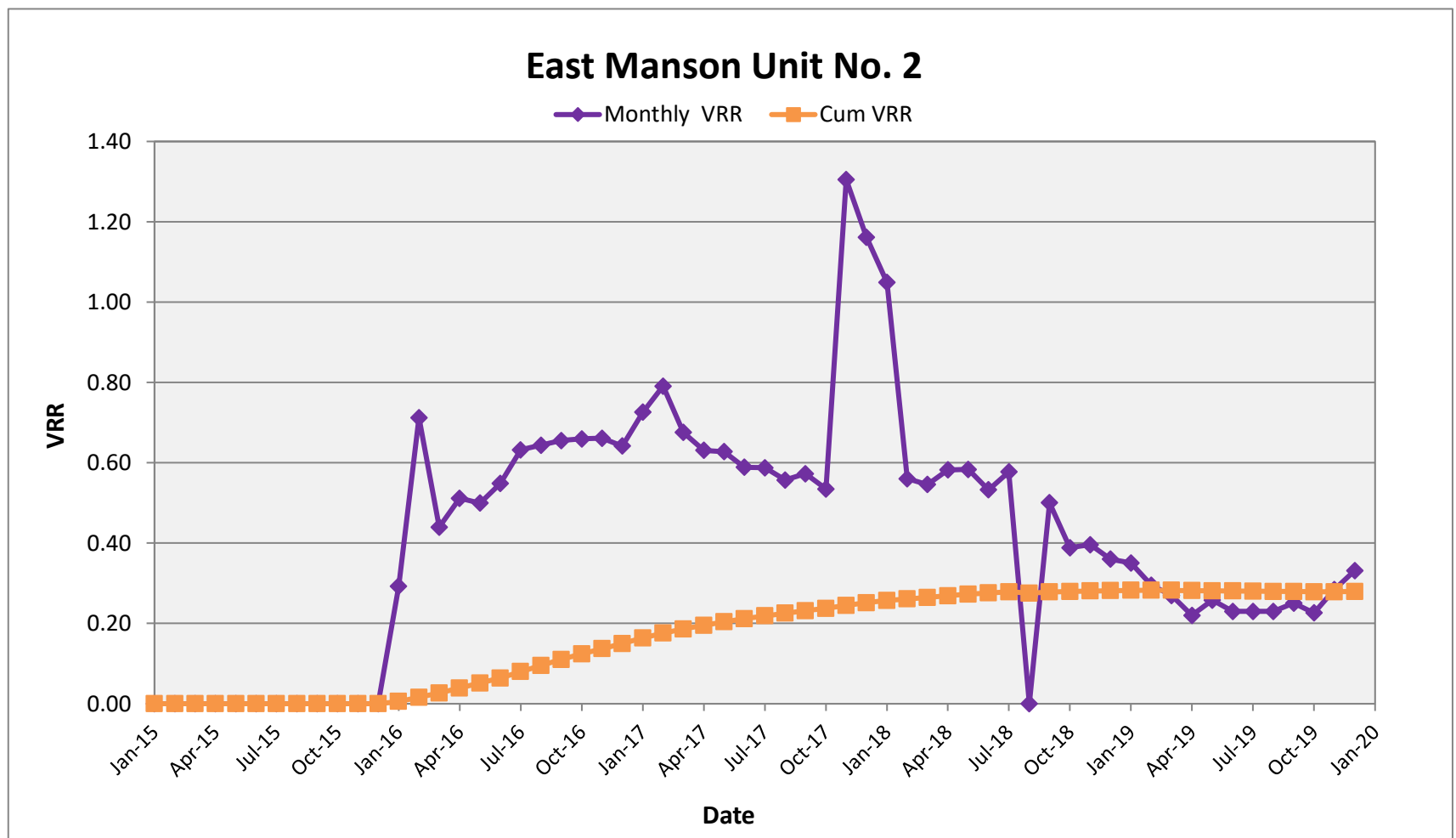
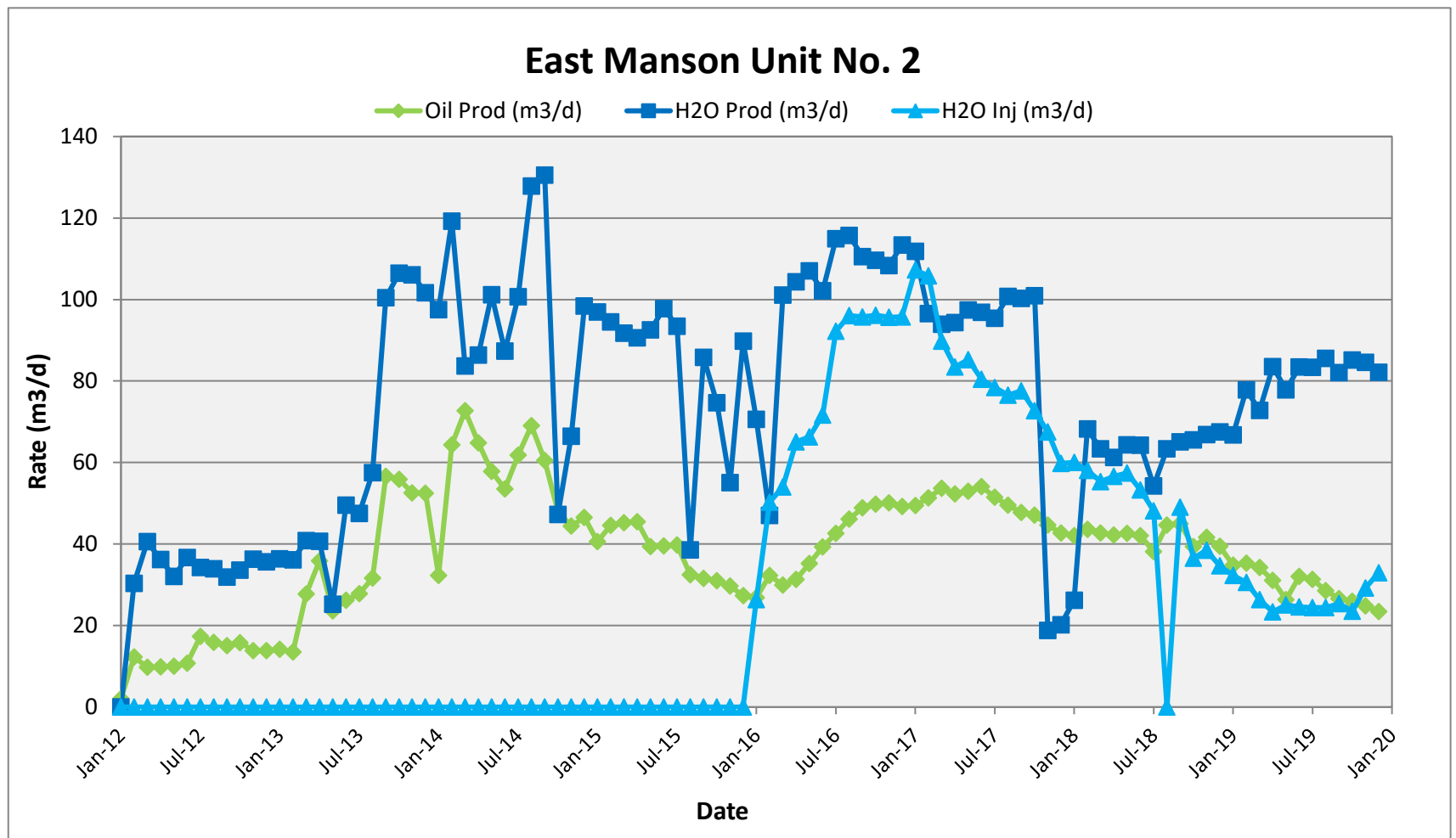
Discussion:

East Manson Unit #2 had a challenging year of flood performance throughout 2019. Injection rates have continued to decline while offsetting watercuts have escalated.

In 2019, TORC installed an injection controlled device (“ICD”) in the 03/02-03-013-28W1 injection well. The ICD’s are run on a liner system and designed to evenly distribute water throughout the entire lateral. Unfortunately, the response has not been noticeable. It is believed we are dealing with significant corrosion downhole and liner integrity is questionable therefore making it difficult to control the injected water.

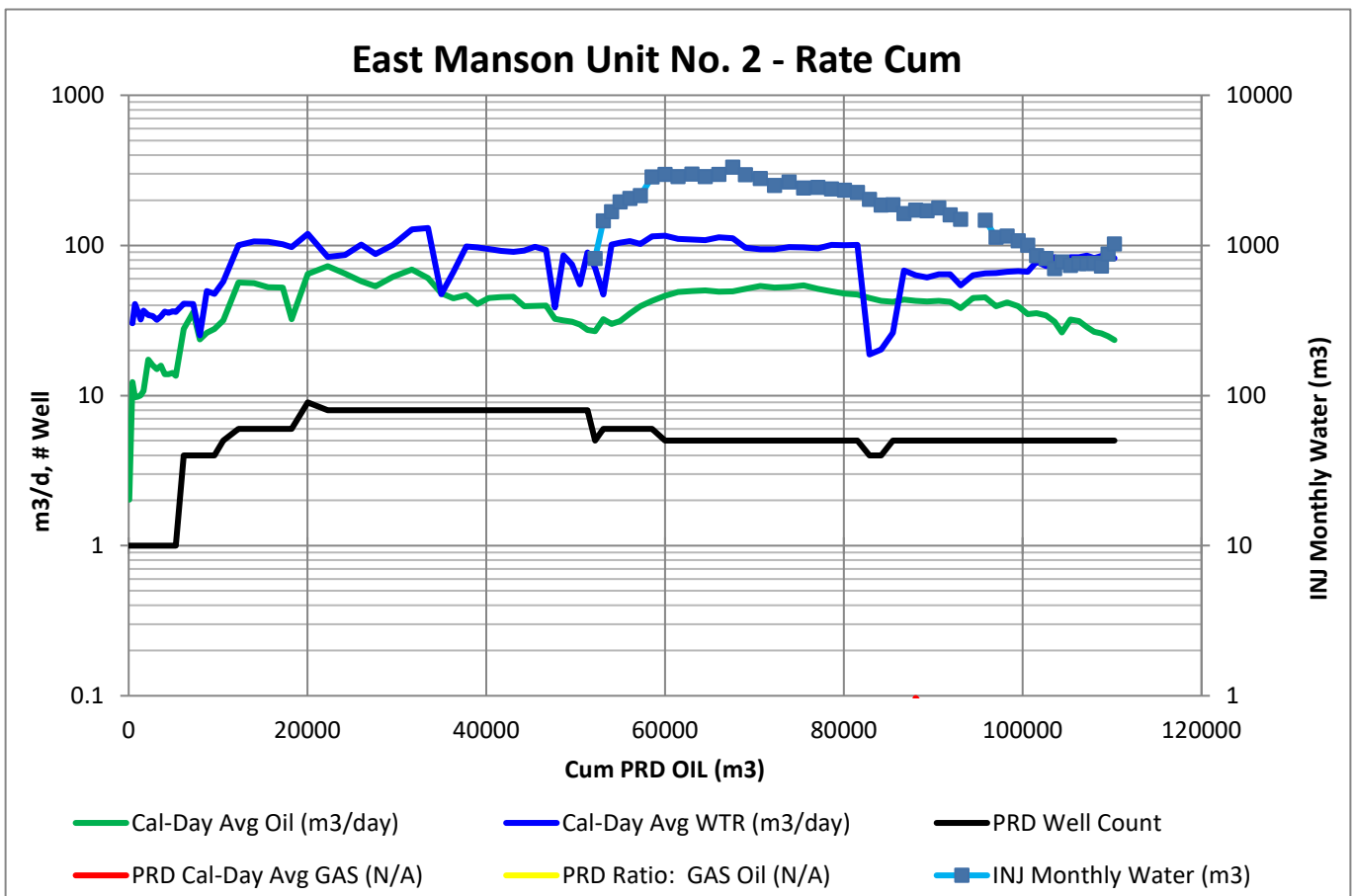
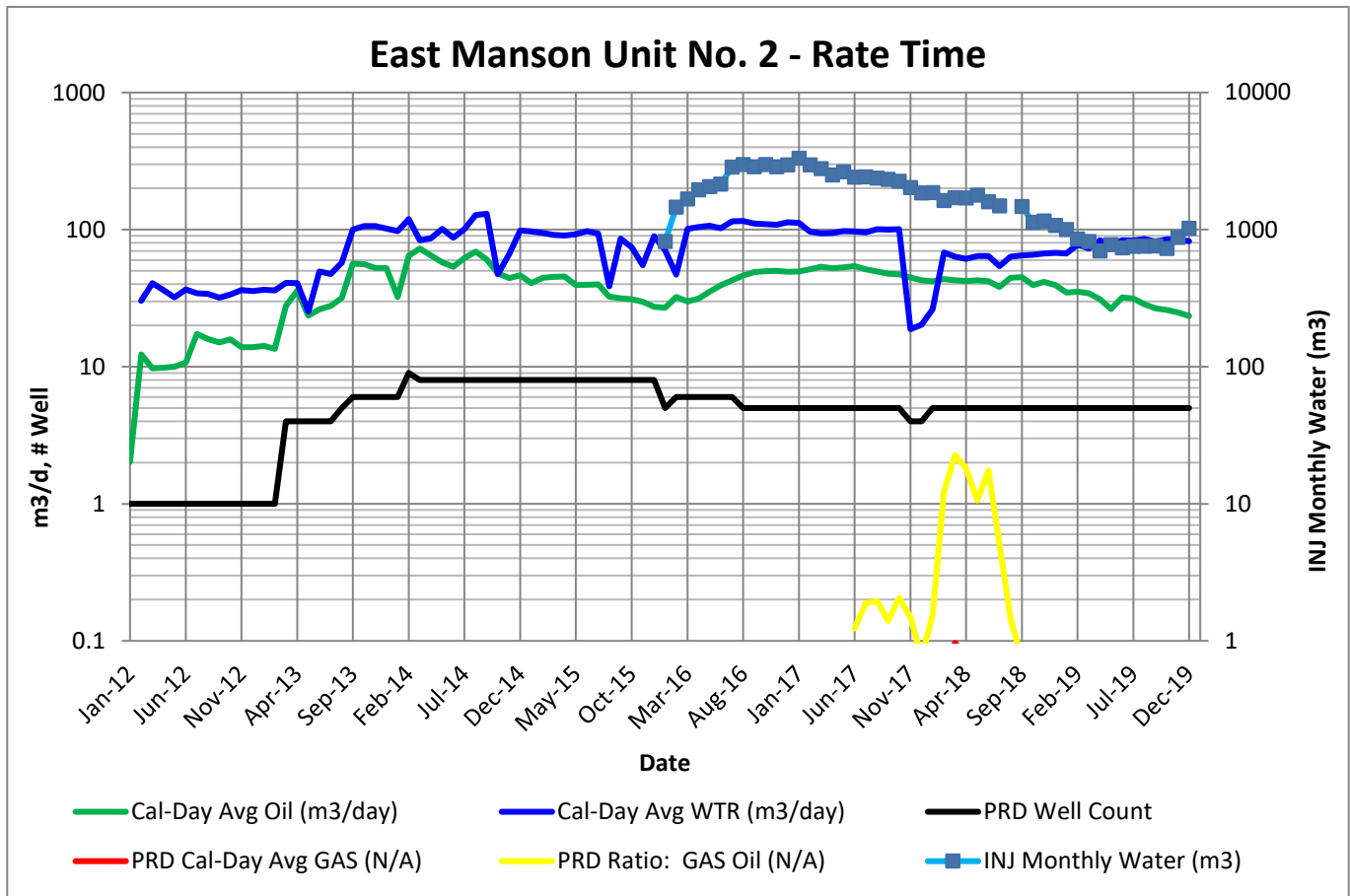
The go forward plan for 2020 is to complete wellbore cleanouts in all wells within the unit. TORC will review flood performance and adjust injection rates as required. TORC is also evaluating the conversion of the remaining 2 vertical wells within the unit to injectors.

	Date	Oil Prod (m3/d)	Gas Prod (e3m3/d)	H2O Prod (m3/d)	H2O Inj (m3/d)	Monthly VRR	Cum VRR	Cum PRD Oil (m3)	Cum PRD Gas (e3m3)	Cum PRD Water (m3)	Cum INJ Water (m3)
EMU No.2	Dec-2019	23	-	82	33	0.33	0.279	110,259	13	219,264	83,915



East Manson Unit No. 2 (Section 03-013-28W1) - VRR Table																										
Month	Days	Monthly Oil Prod (bbl)	Monthly Oil Prod (m3)	Monthly Gas Prod (E3m3)	Monthly H2O Prod (bbl)	Monthly H2O Prod (m3)	Monthly H2O Inj (bbl)	Monthly H2O Inj (m3)	Oil Prod (m3/d)	Gas Prod (E3m3/d)	H2O Prod (m3/d)	H2O Inj (m3/d)	Cum Oil (bbl)	Cum Oil (m3)	Cum Gas (E3m3)	Cum H2O (m3)	Cum H2O Inj (m3)	Prod Well Count	GOR (m3/m3)	H2OCut %	Voidage (rm3/d)	Monthly VRR	Cum GOR (m3/m3)	H2OCut %	Cum Void (rm3)	Cum VRR
Jan-12	31	395	62.7	0	0	0.0	0	0	2	0	0	0	395	63	0	0	0	1	0	0.0%	1	0.00	0.0	0.0%	45.8	0.000
Feb-12	29	2,243	356.6	0	5,529	879.0	0	0	12	0	30	0	2,637	419	0	879	0	1	0	71.1%	39	0.00	0.0	67.7%	1189.6	0.000
Mar-12	31	1,902	302.3	0	7,920	1,259.1	0	0	10	0	41	0	4,539	722	0	2138	0	1	0	80.6%	48	0.00	0.0	74.8%	2675.7	0.000
Apr-12	30	1,857	295.2	0	6,827	1,085.3	0	0	10	0	36	0	6,396	1017	0	3223	0	1	0	78.6%	44	0.00	0.0	76.0%	3982.1	0.000
May-12	31	1,952	310.3	0	6,254	994.3	0	0	10	0	32	0	8,348	1327	0	4218	0	1	0	76.2%	40	0.00	0.0	76.1%	5208.0	0.000
Jun-12	30	2,025	321.9	0	6,925	1,101.0	0	0	11	0	37	0	10,373	1649	0	5319	0	1	0	77.4%	45	0.00	0.0	76.3%	6549.6	0.000
Jul-12	31	3,383	537.8	0	6,686	1,063.0	0	0	17	0	34	0	13,756	2187	0	6382	0	1	0	66.4%	47	0.00	0.0	74.5%	8010.6	0.000
Aug-12	31	3,099	492.6	0	6,616	1,051.9	0	0	16	0	34	0	16,855	2680	0	7433	0	1	0	68.1%	46	0.00	0.0	73.5%	9427.4	0.000
Sep-12	30	2,835	450.7	0	6,025	957.9	0	0	15	0	32	0	19,690	3130	0	8391	0	1	0	68.0%	43	0.00	0.0	72.8%	10719.3	0.000
Oct-12	31	3,087	490.7	0	6,558	1,042.7	0	0	16	0	34	0	22,776	3621	0	9434	0	1	0	68.0%	45	0.00	0.0	72.3%	12125.5	0.000
Nov-12	30	2,614	415.6	0	6,840	1,087.4	0	0	14	0	36	0	25,390	4037	0	10521	0	1	0	72.3%	47	0.00	0.0	72.3%	13521.8	0.000
Dec-12	31	2,701	429.4	0	6,945	1,104.1	0	0	14	0	36	0	28,091	4466	0	11626	0	1	0	72.0%	46	0.00	0.0	72.2%	14945.0	0.000
Jan-13	31	2,759	438.6	0	7,094	1,127.8	0	0	14	0	36	0	30,850	4905	0	12753	0	1	0	72.0%	47	0.00	0.0	72.2%	16398.7	0.000
Feb-13	28	2,381	378.6	0	6,360	1,011.2	0	0	14	0	36	0	33,231	5283	0	13765	0	1	0	72.8%	46	0.00	0.0	72.3%	17691.4	0.000
Mar-13	31	5,406	859.4	0	7,970	1,267.1	0	0	28	0	41	0	38,637	6143	0	15032	0	4	0	59.6%	61	0.00	0.0	71.0%	19592.2	0.000
Apr-13	30	6,776	1,077.3	0	7,674	1,220.1	0	0	36	0	41	0	45,413	7220	0	16252	0	4	0	53.1%	67	0.00	0.0	69.2%	21604.9	0.000
May-13	31	4,610	732.8	0	4,920	782.2	0	0	24	0	25	0	50,023	7953	0	17034	0	4	0	51.6%	43	0.00	0.0	68.2%	22926.0	0.000
Jun-13	30	4,951	787.1	0	9,355	1,487.3	0	0	26	0	50	0	54,973	8740	0	18521	0	4	0	65.4%	69	0.00	0.0	67.9%	24995.4	0.000
Jul-13	31	5,424	862.3	0	9,271	1,473.9	0	0	28	0	48	0	60,397	9602	0	19995	0	4	0	63.1%	68	0.00	0.0	67.6%	27106.2	0.000
Aug-13	31	6,172	981.2	0	11,215	1,782.9	0	0	32	0	58	0	66,569	10583	0	21778	0	5	0	64.5%	81	0.00	0.0	67.3%	29614.5	0.000
Sep-13	30	10,690	1,699.5	0	18,948	3,012.4	0	0	57	0	100	0	77,259	12283	0	24790	0	6	0	63.9%	142	0.00	0.0	66.9%	33882.8	0.000
Oct-13	31	10,904	1,733.6	0	20,756	3,299.8	0	0	56	0	106	0	88,163	14016	0	28090	0	6	0	65.6%	148	0.00	0.0	66.7%	38464.9	0.000
Nov-13	30	9,919	1,577.0	0	20,008	3,181.0	0	0	53	0	106	0	98,083	15593	0	31271	0	6	0	66.9%	145	0.00	0.0	66.7%	42813.3	0.000
Dec-13	31	10,226	1,625.7	0	19,820	3,151.0	0	0	52	0	102	0	108,308	17219	0	34422	0	6	0	66.0%	140	0.00	0.0	66.7%	47167.1	0.000
Jan-14	31	6,293	1,000.5	0	19,019	3,023.7	0	0	32	0	98	0	114,601	18220	0	37446	0	6	0	75.1%	122	0.00	0.0	67.3%	50936.5	0.000
Feb-14	28	11,338	1,802.5	0	21,001	3,338.8	0	0	64	0	119	0	125,939	20022	0	40785	0	9	0	64.9%	167	0.00	0.0	67.1%	55608.2	0.000
Mar-14	31	14,175	2,253.5	0	16,326	2,595.6	0	0	73	0	84	0	140,114	22276	0	43380	0	8	0	53.5%	137	0.00	0.0	66.1%	59862.0	0.000
Apr-14	30	12,239	1,945.8	0	16,304	2,592.0	0	0	65	0	86	0	152,353	24221	0	45972	0	8	0	57.1%	134	0.00	0.0	65.5%	63887.6	0.000
May-14	31	11,272	1,792.1	0	19,733	3,137.2	0	0	58	0	101	0	163,625	26014	0	49109	0	8	0	63.6%	144	0.00	0.0	65.4%	68349.0	0.000
Jun-14	30	10,098	1,605.4	0	16,487	2,621.2	0	0	54	0	87	0	173,723	27619	0	51731	0	8	0	62.0%	127	0.00	0.0	65.2%	72155.5	0.000
Jul-14	31	12,050	1,915.7	0	19,632	3,121.1	0	0	62	0	101	0	185,773	29535	0	54852	0	8	0	62.0%	146	0.00	0.0	65.0%	76690.9	0.000
Aug-14	31	13,462	2,140.3	0	24,935	3,964.2	0	0	69	0	128	0	199,235	31675	0	58816	0	8	0	64.9%	179	0.00	0.0	65.0%	82237.7	0.000
Sep-14	30	11,427	1,816.7	0	24,633	3,916.3	0	0	61	0	131	0	210,663	33492	0	62732	0	8	0	68.3%	175	0.00	0.0	65.2%	87500.1	0.000
Oct-14	31	9,361	1,488.3	0	9,215	1,465.1	0	0	48	0	47	0	220,024	34980	0	64197	0	8	0	49.6%	83	0.00	0.0	64.7%	90059.0	0.000
Nov-14	30	8,380	1,332.3	0	12,535	1,992.9	0	0	44	0	66	0	228,404	36312	0	66190	0	8	0	59.9%	99	0.00	0.0	64.6%	93034.6	0.000
Dec-14	31	9,069	1,441.9	0	19,191	3,051.0	0	0	47	0	98	0	237,473	37754	0	69241	0	8	0	67.9%	133	0.00	0.0	64.7%	97153.7	0.000
Jan-15	31	7,920	1,259.2	0	18,904	3,005.4	0	0	41	0	97	0	245,394	39013	0	72247	0	8	0	70.5%	127	0.00	0.0	64.9%	101093.6	0.000
Feb-15	28	7,852	1,248.3	0	16,643	2,646.0	0	0	45	0	95	0	253,245	40262	0	74893	0	8	0	67.9%	128	0.00	0.0	65.0%	104664.3	0.000
Mar-15	31	8,824	1,402.8	0	17,887	2,843.8	0	0	45	0	92	0	262,069	41664	0	77736	0	8	0	67.0%	125	0.00	0.0	65.1%	108546.6	0.000
Apr-15	30	8,582	1,364.3	0	17,090	2,716.9	0	0	45	0	91	0	270,651	43029	0	80453	0	8	0	66.6%	124	0.00	0.0	65.2%	112273.3	0.000
May-15	31	7,685	1,221.9	0	18,040	2,868.0	0	0	39	0	93	0	278,336	44251	0	83321	0	8	0	70.1%	122	0.00	0.0	65.3%	116047.9	0.000
Jun-15	30	7,468	1,187.2	0	18,451	2,933.4	0	0	40	0	98	0	285,804	45438	0	86255	0	8	0	71.2%	127	0.00	0.0	65.5%	119862.9	0.000
Jul-15	31	7,750	1,232.1	0	18,219	2,896.5	0	0	40	0	93	0	293,554	46670	0	89151	0	8	0	70.2%	123	0.00	0.0	65.6%	123673.6	0.000
Aug-15	31	6,334	1,007.1	0	7,523	1,196.0	0	0	32	0	39	0	299,888	47677	0	90347	0	8	0	54.3%	62	0.00	0.0	65.5%	125610.8	0.000
Sep-15	30	5,959	947.4	0	16,193	2,574.5	0	0	32	0	86	0	305,847	48624	0	92922	0	8	0	73.1%	109	0.00	0.0	65.6%	128890.0	0.000
Oct-15	31	6,049	961.7	0	14,554	2,313.9	0	0	31	0	75	0	311,897	49586	0	95236	0	8	0	70.6%	98	0.00	0.0	65.8%	131917.7	0.000
Nov-15	30	5,608	891.6	0	10,384	1,651.0	0	0	30	0	55	0	317,505	50478	0	96887	0	8	0	64.9%	77	0.00	0.0	65.7%	134228.0	0.000
Dec-15	31	5,328	847.1	0	17,510	2,783.8	0	0	27	0	90	0	322,833	51325	0	99670	0	8	0	76.7%	110	0.00	0.0	66.0%	137644.3	0.000
Jan-16	31	5,241	833.3	0	13,765	2,188.4	5,143	818	27	0	71	26	328,074	52158	0	101859	818	5	0	72.4%	91	0.29	0.0	66.1%	140452.1	0.006
Feb-16	29	5,892	936.7	0	8,580	1,364.0	9,163	1,457	32	0	47	50	333,966	53095	0	103223	2274	6	0	59.3%	71	0.71	0.0	66.0%	142506.9	0.016
Mar-16	31	5,833	927.4	0	19,705	3,132.7	10,526	1,673	30	0	101	54	339,800	54022	0	106355	3948	6	0	77.2%	123	0.44	0.0	66.3%	146332.6	0.027
Apr-16	30	5,912	939.9	0	19,685	3,129.6	12,274	1,951	31	0	104	65	345,712	54962	0	109485	5899	6	0	76.9%	128	0.51	0.0			

East Manson Unit No. 2 (Section 03-013-28W1) - VRR Table																										
Month	Days	Monthly Oil Prod (bbl)	Monthly Oil Prod (m3)	Monthly Gas Prod (E3m3)	Monthly H2O Prod (bbl)	Monthly H2O Prod (m3)	Monthly H2O Inj (bbl)	Monthly H2O Inj (m3)	Oil Prod (m3/d)	Gas Prod (E3m3/d)	H2O Prod (m3/d)	H2O Inj (m3/d)	Cum Oil (bbl)	Cum Oil (m3)	Cum Gas (E3m3)	Cum H2O (m3)	Cum H2O Inj (m3)	Prod Well Count	GOR (m3/m3)	H2OCut %	Voidage (rm3/d)	Monthly VRR	Cum GOR (m3/m3)	H2OCut %	Cum Void (rm3)	Cum VRR
Sep-17	30	9,009	1,432.3	0.2	18,924	3,008.6	14,635	2,327	48	0	100	78	503,542	80054	1	163420	51392	5	0	67.7%	136	0.57	0.0	67.1%	222761.3	0.232
Oct-17	31	9,191	1,461.3	0.3	19,683	3,129.3	14,175	2,254	47	0	101	73	512,733	81516	1	166549	53645	5	0	68.2%	137	0.54	0.0	67.1%	226994.5	0.238
Nov-17	30	8,431	1,340.4	0.2	3,543	563.3	12,732	2,024	45	0	19	67	521,164	82856	2	167112	55669	4	0	29.6%	52	1.31	0.0	66.9%	228553.2	0.245
Dec-17	31	8,333	1,324.8	0.1	3,939	626.3	11,660	1,854	43	0	20	60	529,497	84181	2	167739	57523	4	0	32.1%	52	1.16	0.0	66.6%	230156.9	0.251
Jan-18	31	8,200	1,303.7	0.2	5,117	813.5	11,707	1,861	42	0	26	60	537,697	85484	2	168552	59384	5	0	38.4%	58	1.05	0.0	66.3%	231940.3	0.257
Feb-18	28	7,677	1,220.6	1.5	12,012	1,909.7	10,231	1,627	44	0	68	58	545,375	86705	3	170462	61011	5	1	61.0%	104	0.56	0.0	66.3%	234856.9	0.261
Mar-18	31	8,332	1,324.7	3	12,360	1,965.0	10,779	1,714	43	0	63	55	553,707	88030	6	172427	62725	5	2	59.7%	102	0.55	0.1	66.2%	238011.3	0.265
Apr-18	30	7,966	1,266.4	2.3	11,551	1,836.3	10,687	1,699	42	0	61	57	561,673	89296	9	174263	64424	5	2	59.2%	98	0.58	0.1	66.1%	240944.3	0.269
May-18	31	8,314	1,321.8	1.4	12,546	1,994.6	11,203	1,781	43	0	64	57	569,987	90618	10	176258	66205	5	1	60.1%	99	0.58	0.1	66.0%	244013.1	0.273
Jun-18	30	7,932	1,261.0	2.2	12,125	1,927.7	10,047	1,597	42	0	64	53	577,918	91879	12	178185	67802	5	2	60.5%	100	0.53	0.1	66.0%	247026.9	0.276
Jul-18	31	7,444	1,183.5	0.6	10,585	1,682.8	9,388	1,492	38	0	54	48	585,363	93062	13	179868	69295	5	1	58.7%	84	0.58	0.1	65.9%	249624.7	0.279
Aug-18	31	8,702	1,383.5	0.2	12,357	1,964.5	0	0	45	0	63	0	594,065	94446	13	181833	69295	5	0	58.7%	97	0.00	0.1	65.8%	252623.3	0.276
Sep-18	30	8,494	1,350.4	0.1	12,272	1,951.1	9,255	1,471	45	0	65	49	602,559	95796	13	183784	70766	5	0	59.1%	98	0.50	0.1	65.7%	255577.2	0.278
Oct-18	31	7,672	1,219.7	0	12,783	2,032.3	7,129	1,133	39	0	66	37	610,231	97016	13	185816	71899	5	0	62.5%	95	0.39	0.1	65.7%	258510.2	0.280
Nov-18	30	7,856	1,249.0	0	12,613	2,005.3	7,259	1,154	42	0	67	38	618,087	98265	13	187821	73054	5	0	61.6%	98	0.40	0.1	65.7%	261437.4	0.281
Dec-18	31	7,686	1,222.0	0	13,168	2,093.5	6,754	1,074	39	0	68	35	625,773	99487	13	189915	74127	5	0	63.1%	97	0.36	0.1	65.6%	264433.6	0.282
Jan-19	31	6,784	1,078.5	0	13,024	2,070.5	6,295	1,001	35	0	67	32	632,557	100565	13	191985	75128	5	0	65.8%	93	0.35	0.1	65.6%	267301.9	0.282
Feb-19	28	6,221	989.0	0	13,707	2,179.2	5,382	856	35	0	78	31	638,777	101554	13	194165	75984	5	0	68.8%	104	0.30	0.1	65.7%	270214.1	0.283
Mar-19	31	6,681	1,062.1	0	14,191	2,256.1	5,141	817	34	0	73	26	645,458	102616	13	196421	76801	5	0	68.0%	98	0.27	0.1	65.7%	273257.1	0.282
Apr-19	30	5,864	932.3	0	15,757	2,505.0	4,401	700	31	0	84	23	651,322	103549	13	198926	77501	5	0	72.9%	107	0.22	0.1	65.8%	276455.5	0.282
May-19	31	5,137	816.7	0	15,172	2,412.1	4,880	776	26	0	78	25	656,459	104365	13	201338	78276	5	0	74.7%	97	0.26	0.1	65.9%	279476.0	0.282
Jun-19	30	6,053	962.3	0	15,745	2,503.2	4,631	736	32	0	83	25	662,512	105328	13	203841	79013	5	0	72.2%	107	0.23	0.1	65.9%	282694.5	0.281
Jul-19	31	6,105	970.6	0	16,258	2,584.8	4,761	757	31	0	83	24	668,617	106298	13	206426	79769	5	0	72.7%	107	0.23	0.1	66.0%	286001.0	0.280
Aug-19	31	5,572	885.8	0	16,677	2,651.4	4,764	757	29	0	86	24	674,189	107184	13	209077	80527	5	0	75.0%	107	0.23	0.1	66.1%	289312.5	0.280
Sep-19	30	5,018	797.8	0	15,486	2,462.0	4,793	762	27	0	82	25	679,207	107982	13	211539	81289	5	0	75.5%	102	0.25	0.1	66.2%	292369.5	0.279
Oct-19	31	5,059	804.4	0	16,601	2,639.2	4,589	730	26	0	85	24	684,267	108786	13	214178	82019	5	0	76.6%	105	0.23	0.1	66.3%	295609.3	0.279
Nov-19	30	4,691	745.7	0	15,967	2,538.5	5,508	876	25	0	85	29	688,957	109532	13	216717	82894	5	0	77.3%	103	0.28	0.1	66.4%	298705.1	0.279
Dec-19	31	4,574	727.1	0	16,020	2,546.9	6,419	1,021	23	0	82	33	693,531	110259	13	219264	83915	5	0	77.8%	100	0.33	0.1	66.5%	301795.7	0.279

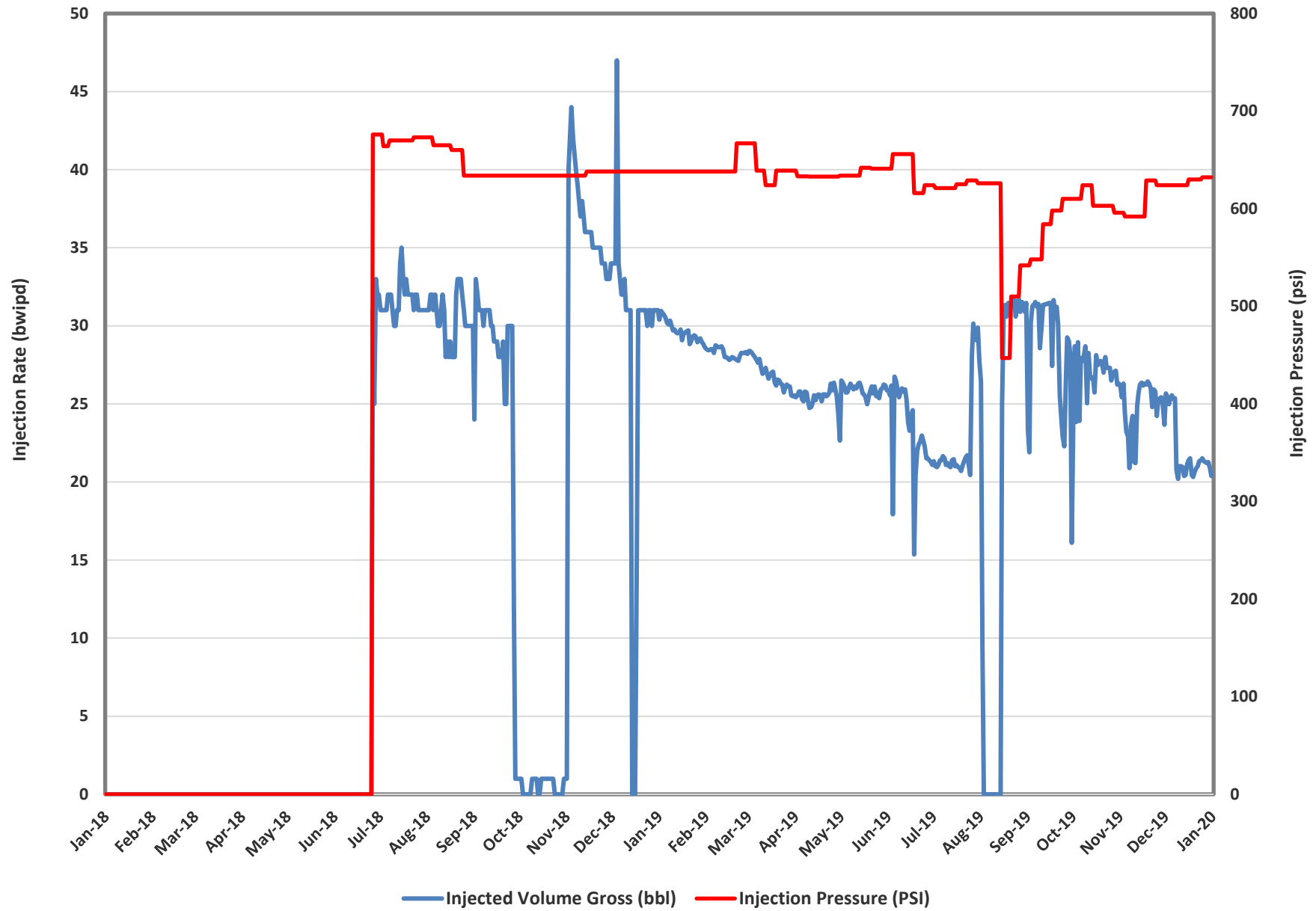


East Manson Unit No. 2 - Injection Parameters

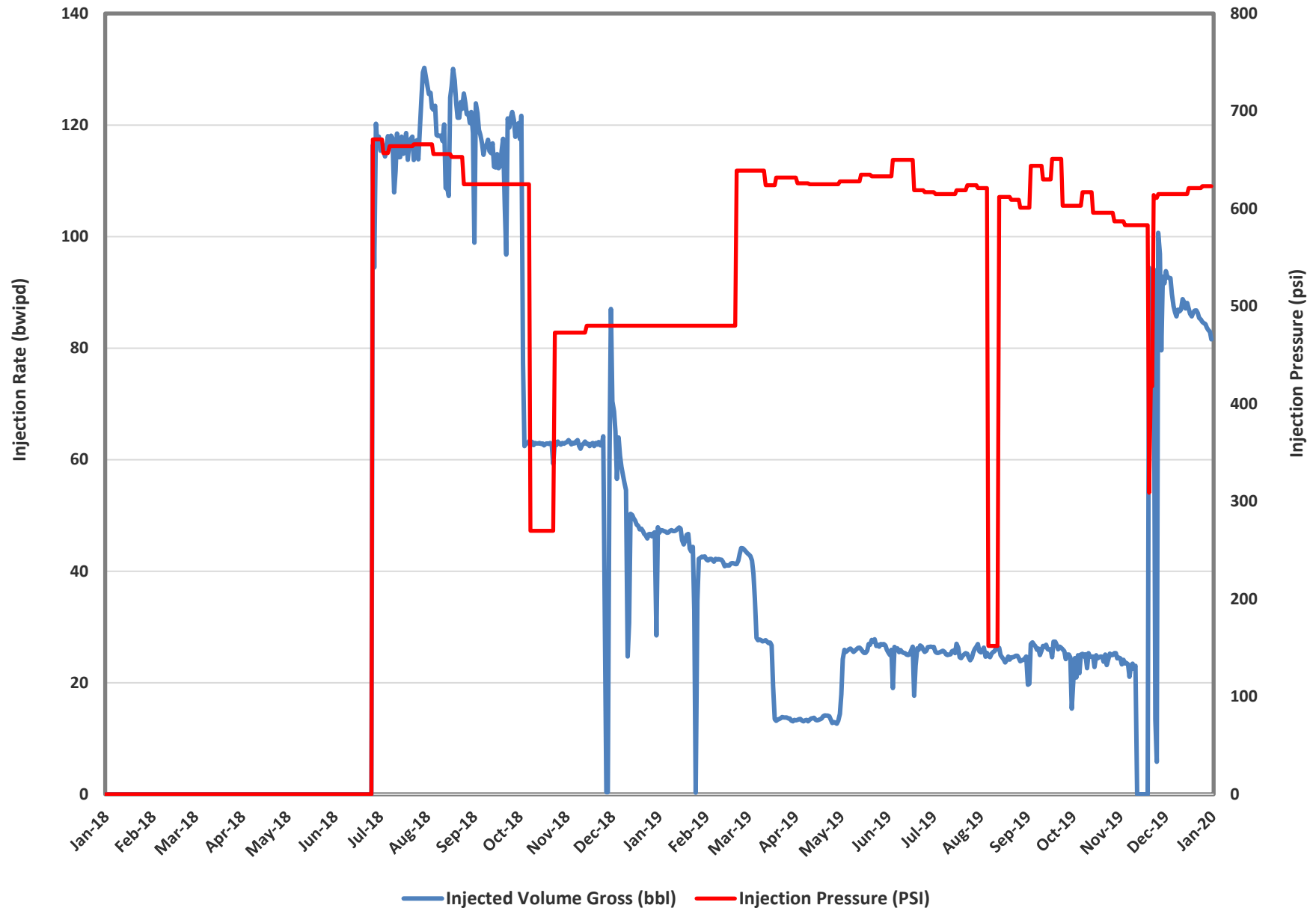
Month	Oil Rate (m3/d)	Gas Rate (e3m3/d)	Water Rate (m3/d)	Water Inj Rate (m3/d)	Cum Oil (m3)	Cum Gas (e3m3)	Cum Water (m3)	Cum Inj Water (m3)	GOR (m3/m3)	WOR (m3/m3)
Jan-19	34.8	0.0	66.8	32.3	100,565	13.1	191,985	75128.1	0	1.92
Feb-19	35.3	0.0	77.8	30.6	101,554	13.1	194,165	75983.7	0	2.20
Mar-19	34.3	0.0	72.8	26.4	102,616	13.1	196,421	76800.9	0	2.12
Apr-19	31.1	0.0	83.5	23.3	103,549	13.1	198,926	77500.5	0	2.69
May-19	26.3	0.0	77.8	25.0	104,365	13.1	201,338	78276.4	0	2.95
Jun-19	32.1	0.0	83.4	24.5	105,328	13.1	203,841	79012.6	0	2.60
Jul-19	31.3	0.0	83.4	24.4	106,298	13.1	206,426	79769.5	0	2.66
Aug-19	28.6	0.0	85.5	24.4	107,184	13.1	209,077	80526.9	0	2.99
Sep-19	26.6	0.0	82.1	25.4	107,982	13.1	211,539	81288.9	0	3.09
Oct-19	25.9	0.0	85.1	23.5	108,786	13.1	214,178	82018.5	0	3.28
Nov-19	24.9	0.0	84.6	29.2	109,532	13.1	216,717	82894.1	0	3.40
Dec-19	23.5	0.0	82.2	32.9	110,259	13.1	219,264	83914.7	0	3.50

Month	00/02-03 Water Inj Press (psi)	03/02-03 Water Inj Press (psi)	00/03-03 Water Inj Press (psi)
Jan-19	638	480	632
Feb-19	646	525	635
Mar-19	640	633	636
Apr-19	633	626	629
May-19	638	631	635
Jun-19	639	635	635
Jul-19	624	618	621
Aug-19	555	507	510
Sep-19	581	630	634
Oct-19	608	601	604
Nov-19	607	572	606
Dec-19	628	619	624

00/02-03-013-28W1 Rate vs Pressure



03/02-03-013-28W1 Rate vs Pressure



00/03-03-013-28W1 Rate vs Pressure

