



Innovation, Energy and Mines

Petroleum Branch
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July 8, 2011

Andrew Taylor
Tundra Oil & Gas Partnership
1000- 715 5th Ave SW
Calgary, Alberta T2P 2X6

Dear Mr. Taylor:

RE: Sinclair Unit No. 7- Unit and Waterflood EOR Application

The Branch has completed a preliminary review of your application to create Sinclair Unit No. 7 and implement within a waterflood EOR operation.

The application, as submitted, is not complete. The following items are outstanding:

- Names and addresses of owners in the project area and within 0.5 km of the project area.
- A copy of the notice, and proof of service of the notice, to the surface owners in the project area and to the mineral owners within 0.5 km advising of the proposed project of enhanced recovery.
- A copy of the proposed Unit Agreement for review.

Notice of the application has not yet been processed and will wait on the receipt on the above noted items.

The Branch also requires additional information on the following subjects:

- Tundra has made application with pool 62B being the proposed injection zone. There are two wells in the proposed unit, 15-14-8-29 (Lic 6027) and 16-14-8-29 (Lic 5530), where the Branch shows a dual completion into pools 62B and 59. These well are currently disposal wells. Does Tundra intent to maintain these wells, as dual completion injectors, for the proposed Unit?
- A copy of the full GLJ engineering report should be submitted to support Tundra's application. This should include details on how the OOIP values were calculated.
- What is estimated original reservoir pressure in the proposed Unit? What is Bubble point for the Unit?
- What methodology will Tundra use to track the reservoir pressures through primary production in the newly drilled horizontal wells? (The ones scheduled to eventually be

injectors.)

- Tundra proposes to drill inter-unit producers/injectors. Production allocation agreements will be required to be signed by all parties from each unit consenting to the development of these wells prior to approval of these wells being drilled. Two production allocation agreements will be required: one between Unit 1 and 7 and a second for Units 7 and 3.
- Geological reports: the following appendices are to be resubmitted, in both paper and pdf format, with the following details or issues addressed.
 - Appendix 2, 3, 5, 7, 12, 15 & 16 some point data does not match contours.
 - Appendix 13 either the point data is wrong or the contour intervals are. Please review.

The Branch finds the amended tracts (Appendices 19-20) and the formula suggested for the proposed Unit to be acceptable.

Please submit the required information in both paper and electronic (pdfs are fine) formats to the undersigned. If you have any questions in respect of this matter please contact me directly at (204) 748-4265.

Yours truly,

A handwritten signature in dark ink, appearing to read 'Jabel', with a large, stylized initial 'J'.

Jennifer Abel, P.Eng
Chief Petroleum Engineer

Cc: Administration, Winnipeg Office
Brad Thiessen, Tundra Oil & Gas, Winnipeg