

EWART UNIT NO. 7

WATERFLOOD EOR PROJECT

ANNUAL REPORT FOR 2015

June 15, 2015

Tundra Oil and Gas Partnership

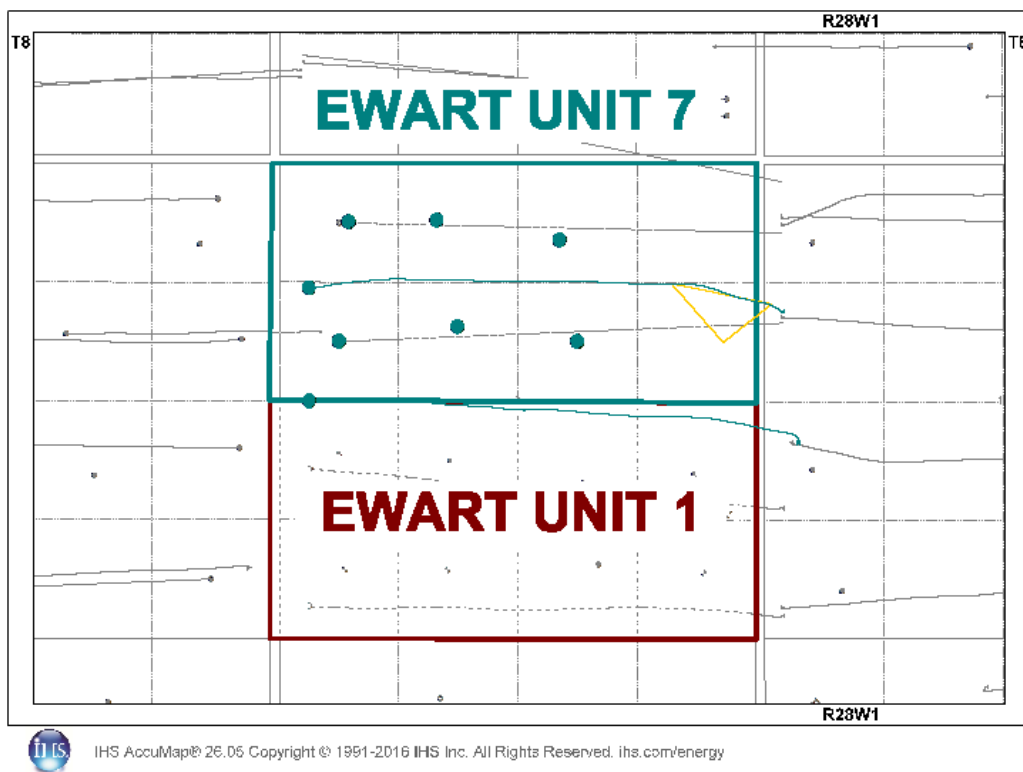
Table of Contents

Introduction	3.
Discussion	3.
Production History	3.
Waterflood Development Plan	5.
Waterflood EOR Operating Strategy and Performance	6.
Water Source and Quality	6.
Injection Wellhead Pressures	6.
Reservoir Pressure	6.
Well Servicing	6.
Waterflood Performance Discussion	6.
List of Appendices	7.
Appendix A: Well Name and Well Status	
Appendix B: Injection Pattern Summary	
Appendix C: Injector Pattern Production/Injection Rates, Cumulative and VRR Plots	

INTRODUCTION

Ewart Unit No. 7 Enhanced Oil Recovery (EOR) Waterflood Project was approved on May 1, 2015 with Tundra Oil and Gas (Tundra) as Operator. The EOR Unit area, outlined in green, contains 6 producing vertical wells and 2 producing horizontal wells in 8 LSDs in Township 8 Range 28 W1 as shown in the figure below. Well list and well status is available in Appendix A.

Figure 1: Ewart Unit No. 7 Area Outline



In accordance with Section 73 of the Manitoba Drilling and Production Regulation, Tundra hereby submits the following 2015 Annual Progress Report for Ewart Unit No. 7.

DISCUSSION

Production History

For the wells included in Ewart Unit No. 7, production started in November 2005 with the 00/12-09-008-28W1 well. Average oil production peaked at 4.91 m³/d per well in

September 2006. This production was coming from 4 wells and totaled 19.65 m³/d for the Unit. In December 2015, the Unit was producing 6.01 m³/d of oil and 5.90 m³/d of water. There is currently no water injection in Ewart Unit No. 7. The rates and WOR are presented in Figure 2.

Figure 2: Ewart Unit No. 7 Production/Injection Rates and WOR vs Time

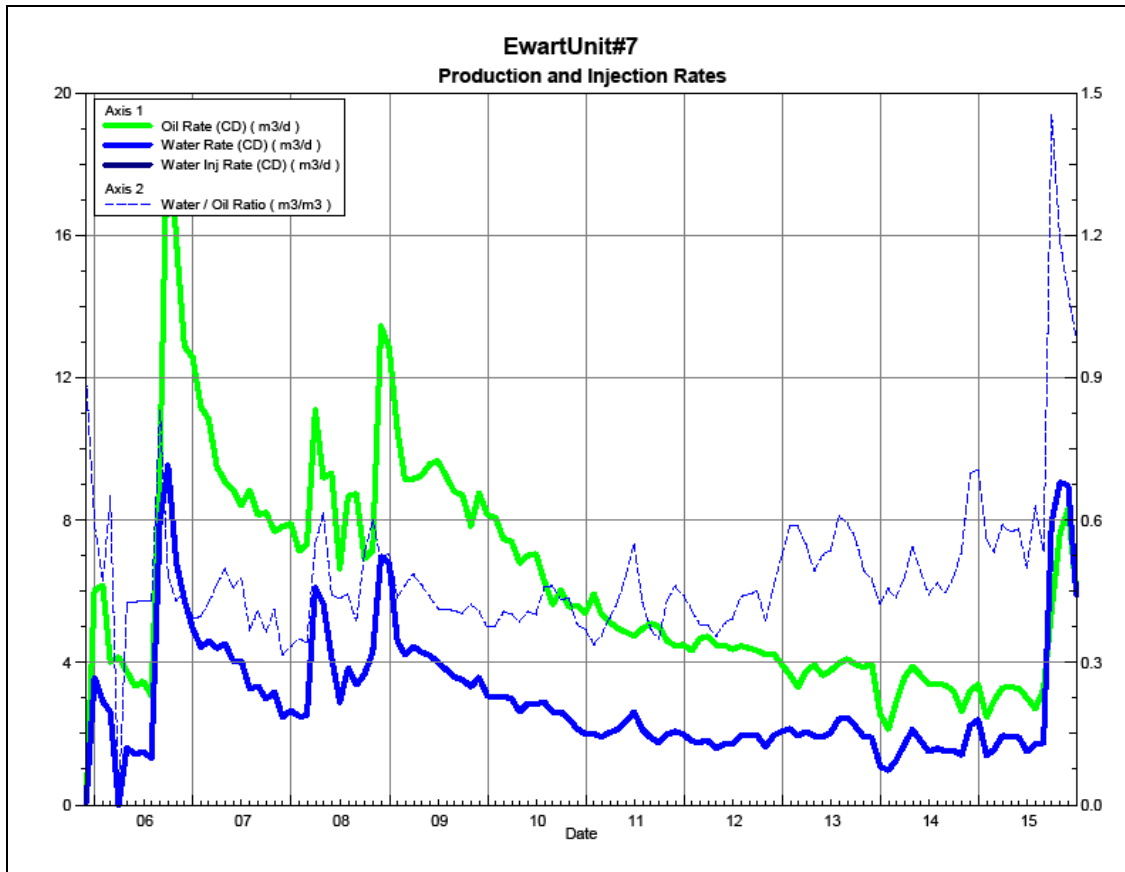
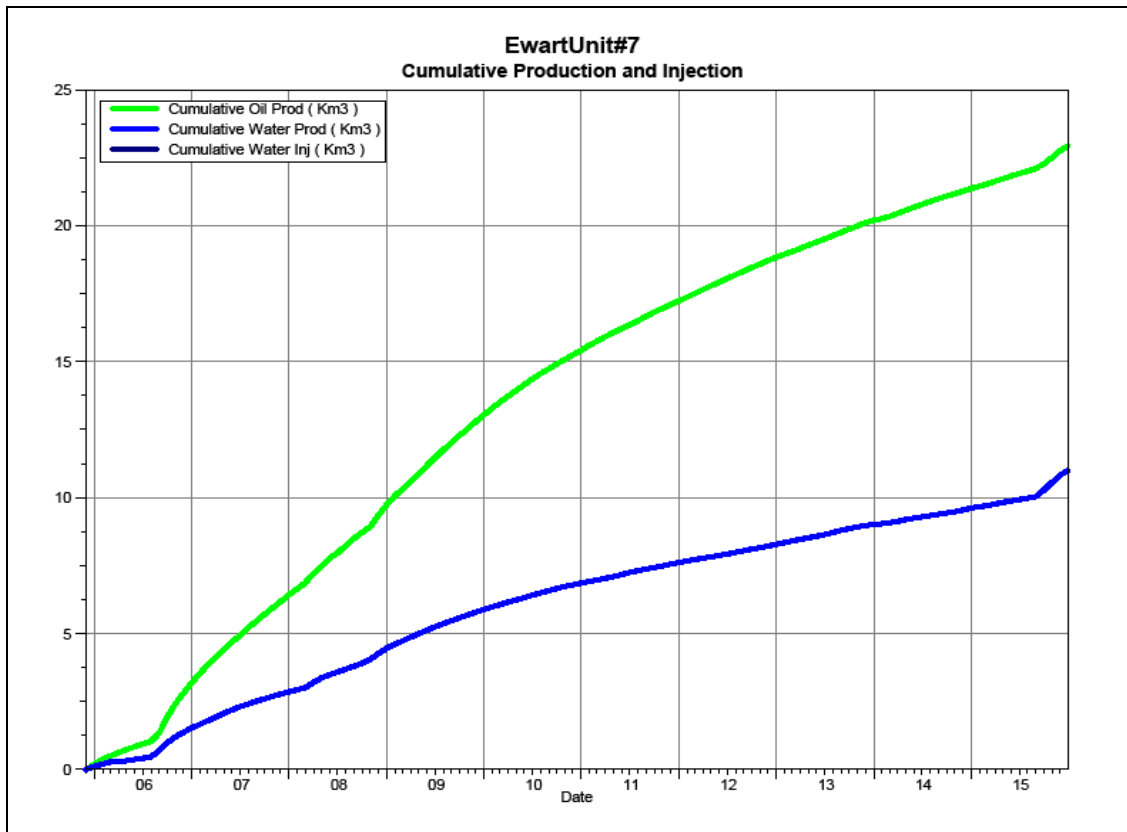


Figure 3 shows the cumulative production for Ewart Unit No. 7 to the end of December 2015 as 22.9 e³m³ of oil, and 11.0 e³m³ of water, representing an 8.0% recovery factor of the OOIP.

Figure 3: Ewart Unit No. 7 Cumulative Oil, Water and Water Injected vs Time



Waterflood Development Plan

Ewart Unit No. 7 Waterflood (WF) Development Plan

Ewart Unit No. 7 is still in the development phase at the end of 2015. There are 2 undrilled LSDs (9 and 16) within the proposed unit boundary for which 2 vertical wells are planned. The two (2) future horizontal injectors, including one (1) inter-unit well, were drilled in 2015 between the existing vertical producing wells, completing waterflood patterns with effective 20 acre spacing. In order to maximize recovery from this unit, Tundra expects to produce the future injectors for a short period of time to clean-up the reservoir near the wellbore. All horizontal wells are fracture stimulated to improve the injection rates.

Production performance by injector pattern is summarized in Appendix B.

Any future revisions to the waterflood development or surveillance plan would be based on new production or performance response data, technical studies, or observed reservoir behavior and reserves recovery interpretations.

Waterflood EOR Operating Strategy and Performance

Water Source and Quality

The injection water for Ewart Unit No. 7 will be sourced from the 16-32-007-29W1 well (Lodgepole formation). The water is treated at the 03-04-007-29W1 battery where it is filtered to 0.5 microns and has scale inhibitor added. The injection water is then distributed to the injectors through the dedicated infrastructure system.

Injection Wellhead Pressures

There is currently no injection in Ewart Unit No. 7.

Reservoir Pressure

Where practical, Tundra is committed to collecting pressure data from newly drilled openhole injection wells. For Ewart Unit No. 7, no reservoir pressure measurements were taken in 2015.

Well Servicing

No maintenance was required on the 8 wells in Ewart Unit No. 7 in 2015.

Waterflood Performance Discussion

At the end of 2015, there is currently no water injection in Ewart Unit No. 7, therefore, there is no waterflood analysis that can be done at this time. The waterflood area had 2 proposed horizontal injection wells drilled in 2015, completing waterflood patterns with effective 20 acre spacing. Water injection is anticipated to begin in 2017, after the expected conversion of the horizontal wells to water injection wells.

Plots of the production and injection data along with the VRR information is presented in Appendix C for each of the injection patterns.

List of Appendices

Appendix A: Well Name and Well Status

Appendix B: Injection Pattern Summary

Appendix C: Injector Pattern Production/Injection Rates, Cumulative and VRR Plots for
the following injectors:

03/05-09-008-28W1 (Inter-unit Injector)

03/12-09-008-28W1

APPENDIX A

<i>UWI</i>	<i>Surface Hole Location</i>	<i>License Number</i>	<i>Type</i>
103/05-09-008-28W1/0	104/05-10-008-28W1/0	010357	Horizontal
100/10-09-008-28W1/0		006559	Vertical
100/11-09-008-28W1/0		005984	Vertical
100/12-09-008-28W1/0		005678	Vertical
103/12-09-008-28W1/0	103/12-10-008-28W1/0	010356	Horizontal
100/13-09-008-28W1/0		005985	Vertical
100/14-09-008-28W1/0		005986	Vertical
100/15-09-008-28W1/0		006560	Vertical

[illegible]

Appendix B

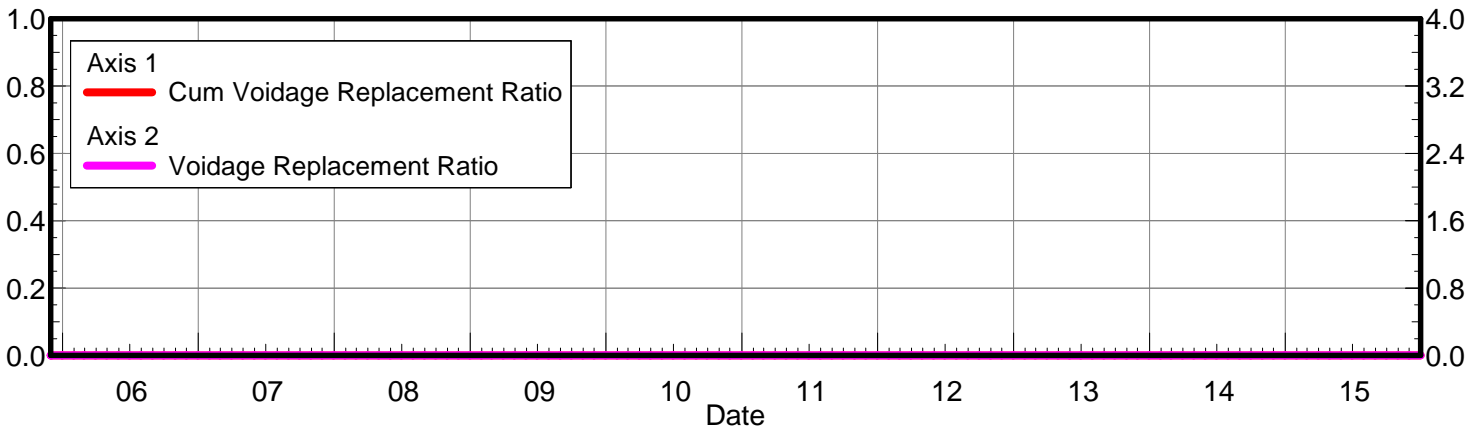
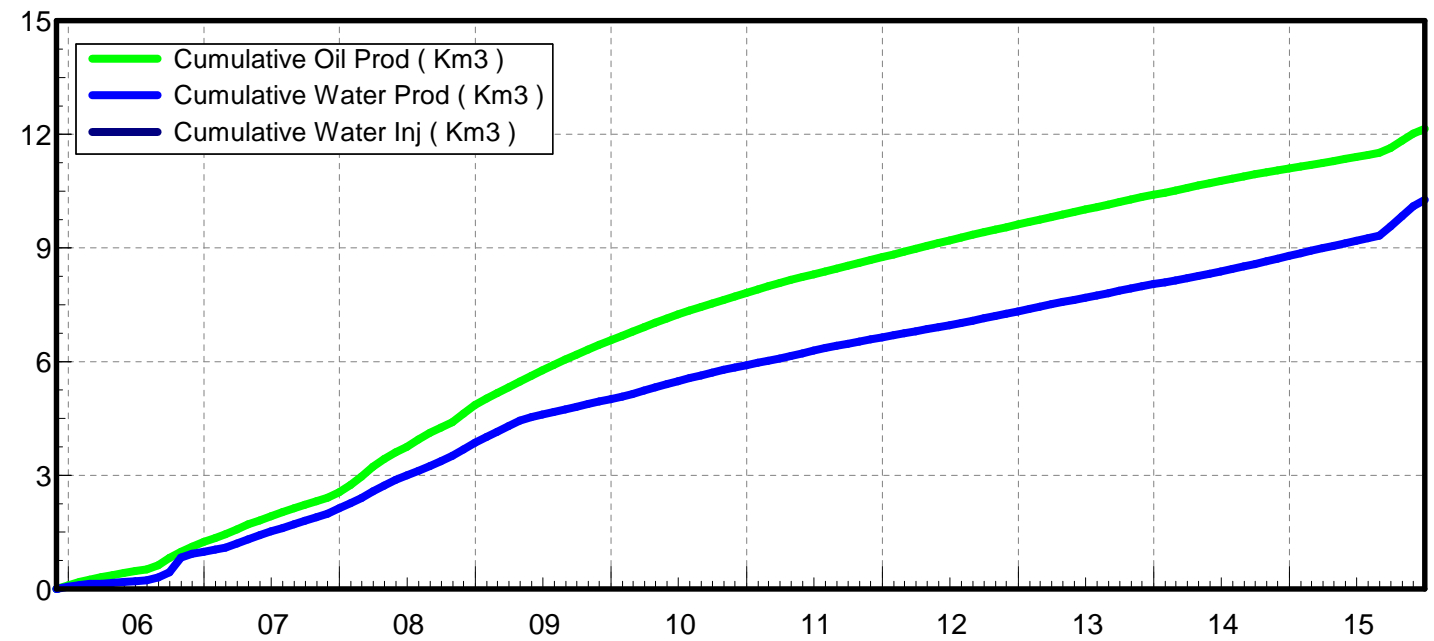
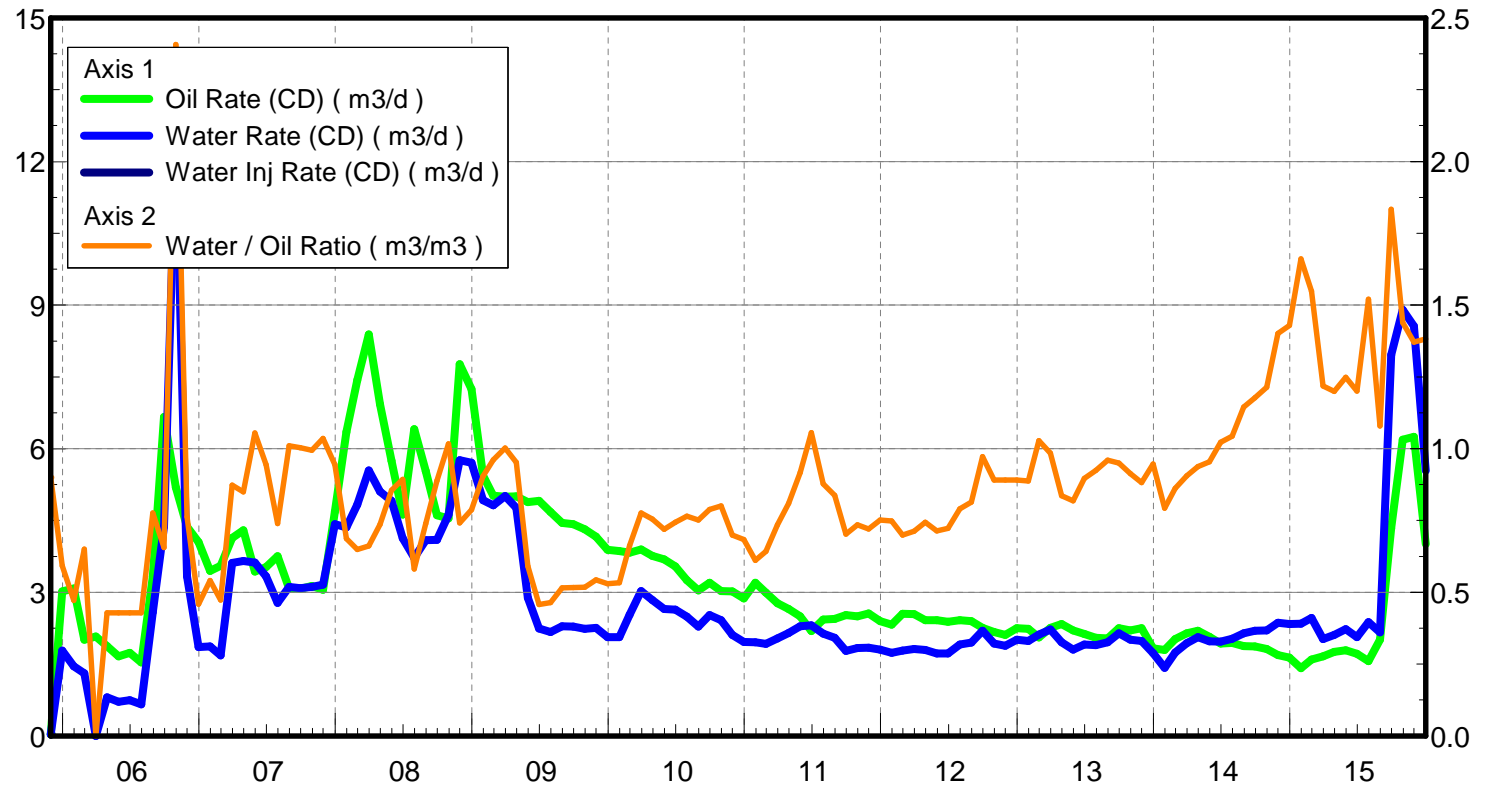
Ewart Unit No. 7 Injection Pattern Summary as of December 2015

Pattern Name	Injector BH Location (008-28W1)	Injector Surf. Location (008-28W1)	Status	No. of Supported Wells	Supported Wells (008-28W1)	Allocation Factor	Pattern Prod Start Month	Inj Start Month	Oil Rate (m³/d)	Water Rate (m³/d)	WOR (m³/m³)	Water Injection (m³/d)	Cum Oil (E³m³)	Cum Water (E³m³)	Cum Inj Water (E³m³)	Monthly VRR	Cum VRR
03/05-09-008-28Inj (Inter-Unit Injector)	03/05-09	04/05-10	Capable of Oil Prod	7	05-09, 06-09, 07-09, 08-09 10-09, 11-09, 12-09	0.5	Nov 2005	-	4.0	5.5	1.38	-	12.2	10.3	0.0	0.000	0.000
03/12-09-008-28Inj	03/12-09	03/12-10	Capable of Oil Prod	6	10-09, 11-09, 12-09, 13-09, 14-09, 15-09	0.5	Nov 2005	-	1.9	0.9	0.5	-	11.3	5.1	0.0	0.000	0.000

Appendix C

Rates and VRR Plots

Oil Formation Vol Factor : 1.00150 m3/m3
 Water Formation Vol Factor : 1.00150 m3/m3
 Water / Oil Ratio : 1.90 m3/m3
 Pattern : 03/05-09-008-28Inj Set: EwartUnit#7
 June 13, 2016
 Operator: Tundra_O&G_Prtshp
 Oil Rate (CD) : 5.12 m3/d
 Water Rate (CD) : 9.73 m3/d
 Water Inj Rate (CD) : * m3/d



Oil Formation Vol Factor : 1.00150 m³/m³ Pattern: 03/12-09-008-28Inj Set: EwartUnit#7 Oil Rate (CD) : 1.78 m³/d
Water Formation Vol Factor : 1.00150 m³/m³ June 13, 2016 Water Rate (CD) : 0.79 m³/d
Water / Oil Ratio : 0.44 m³/m³ Operator: Tundra_O&G_Prtshp Water Inj Rate (CD) : * m³/d

