

**WASKADA UNIT NO. 7
WATERFLOOD EOR PROJECT**

ANNUAL WATERFLOOD PROGRESS REPORT FOR 2015

April 30, 2016

Tundra Oil and Gas Partnership

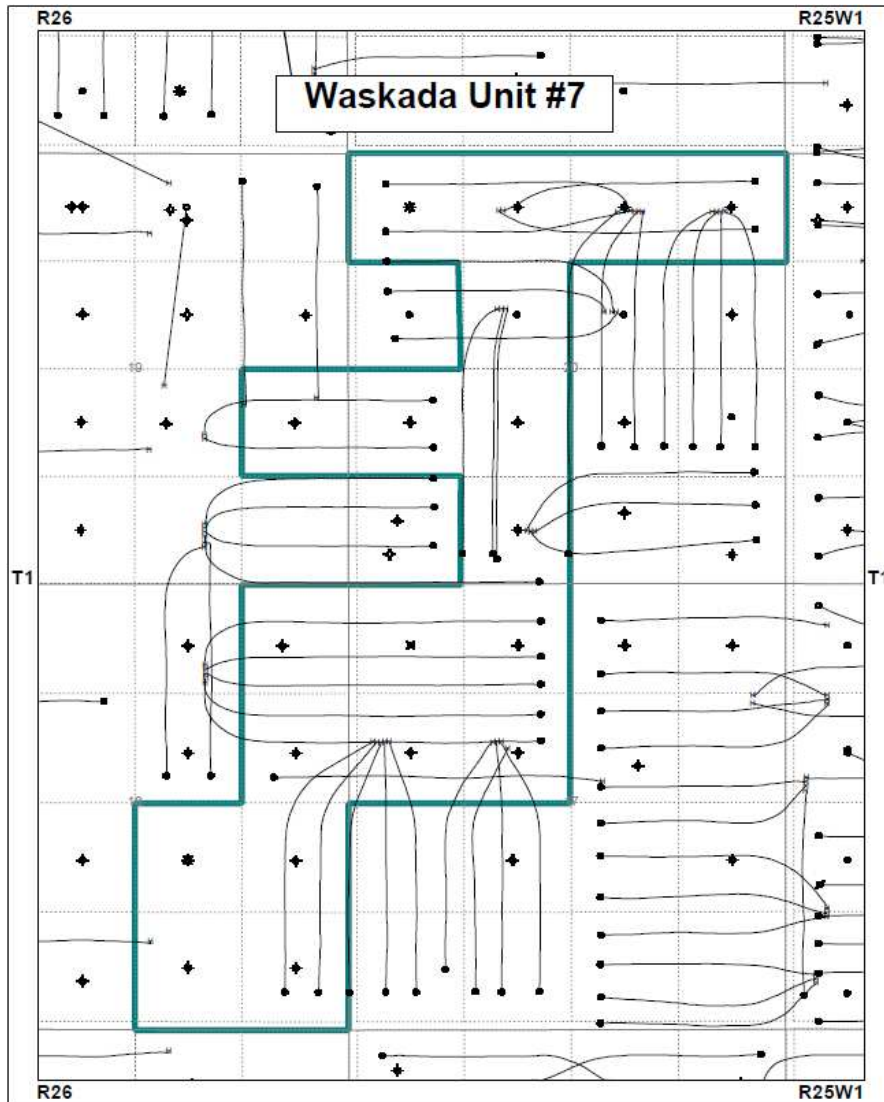
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INTRODUCTION

Waskada Unit No. 7 Enhanced Oil Recovery (EOR) Waterflood Project was approved under Board Order No. PM 58 effective January 1987. The Unit area contains 18 abandoned wells, including 5 abandoned injectors, and 21 producing/inactive wells in 19 LSDs in Townships 1 and 2, Range 26 W1 as shown in the figure below.

Figure 1: Waskada Unit 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 Waskada Unit No. 7.

DISCUSSION

Production History

For the wells included in Waskada Unit No. 7, production started in December 1982 with the 00/14-17-001-25W1/0 and 00/15-20-001-25W1 Vertical wells. Average oil production peaked for the first time at 4.6 m³/d per well in October 1983. This production was coming from 7 wells and totaled 32.0 m³/d for the whole Unit. The production at the end of December 2015 averaged 0.5 m³/d per well, totaling 7.8 m³/day for the Unit. Water injection commenced in Waskada Unit No. 7 in January 1987 until February of 1998. 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 7 Production/Injection Rates and WOR vs Time

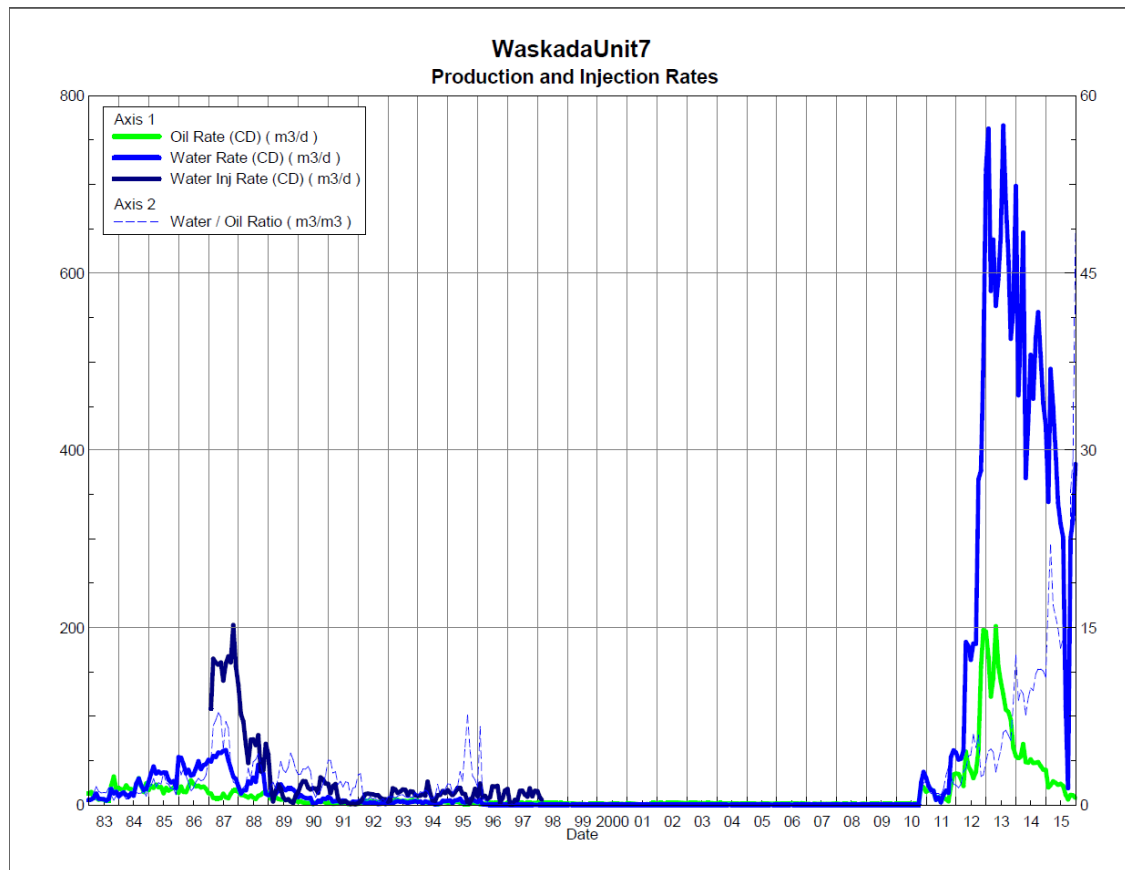
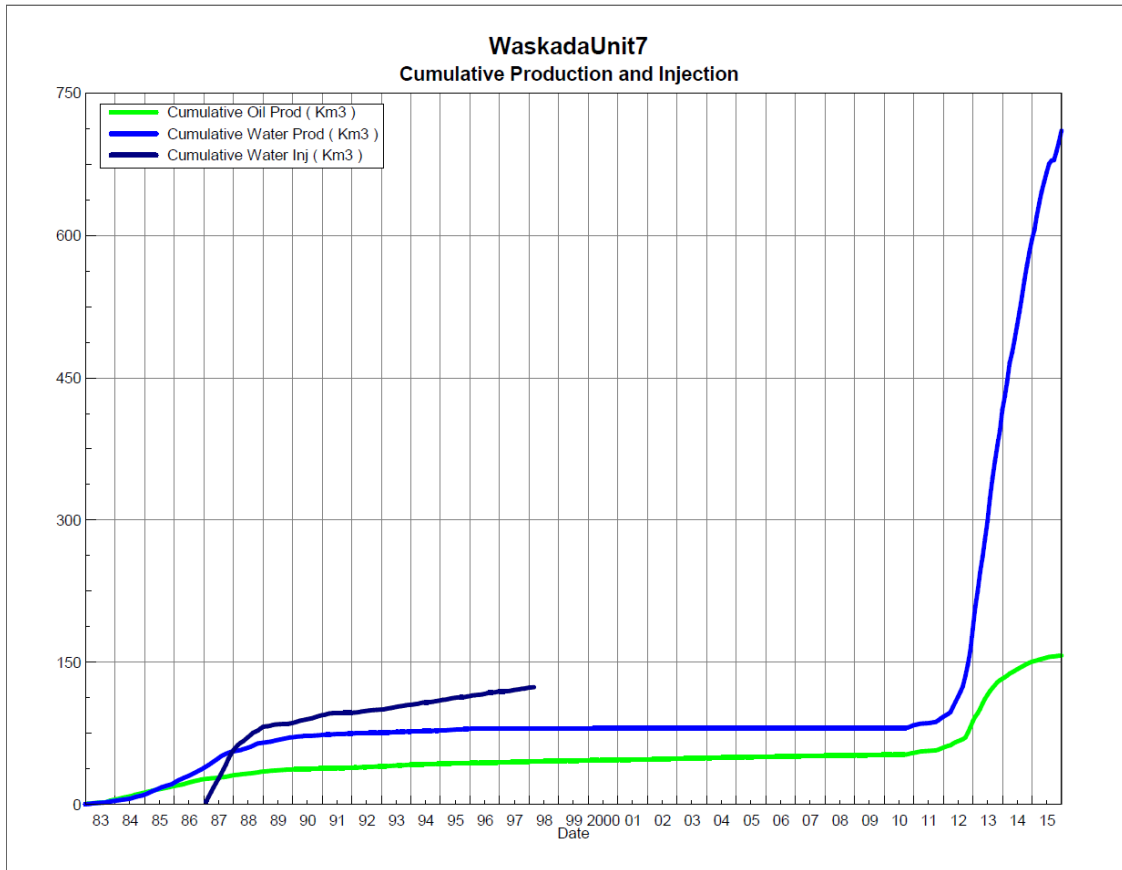


Figure 3 shows the cumulative production for Waskada Unit No. 7 to the end of December 2015 as 156.8 e³m³ of oil, and 710.2 e³m³ of water.

Figure 3: Waskada Unit 7 Cumulative Oil, Water and Water Injected vs Time



Waterflood EOR Operating Strategy and Performance

Corrosion and Scale Prevention

The facilities in Unit 7 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. 7.

Waterflood Performance Discussion

From January 1 to December 31 in 2015, Waskada Unit No. 7 produced 121.1 e3m3 of fluid (6.4 e3m3 of Oil, 114.7 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 7 years, down to 0.138.

Table 2 summarizes the yearly and cumulative VRR for Waskada Unit No. 7.

Figure 4: Waskada Unit 7 Production and Injection Rate

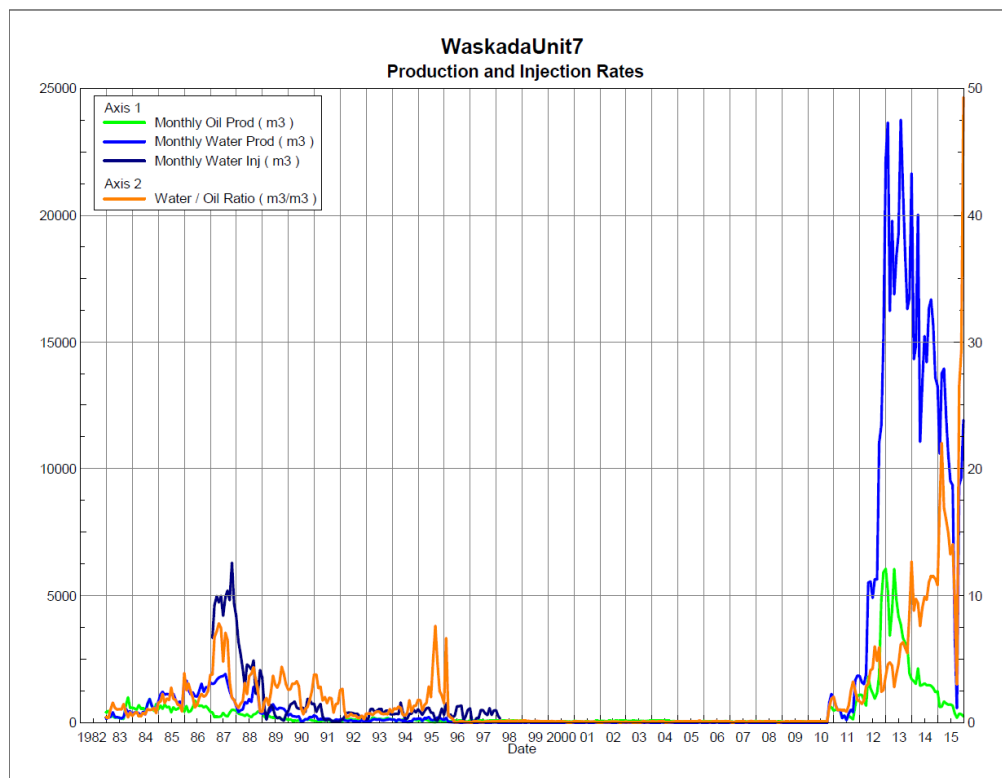


TABLE NO. 1: WASKADA UNIT NO. 7 WELL SUMMARY

UWI	Type	Status	On Prod Date	Cum Prd Oil (m3)	Cum Prd Water (m3)	Last Prod Date	Cum Inj Water (m3)	Last Inj Date
100/11-17-001-25W1/0	Vertical	Abandoned	9/1/1983	3113.6	2822.8	3/31/1991	0	
102/11-17-001-25W1/0	Horizontal	Producing	10/1/2012	4520.6	7585.8	10/31/2015	0	
103/11-17-001-25W1/0	Horizontal	Producing	10/1/2012	2407.1	4462.2	12/31/2015	0	
100/12-17-001-25W1/0	Vertical	Abandoned	9/1/1983	2445.2	3725.2	1/31/1991	0	
100/13-17-001-25W1/0	Vertical	Abandoned	8/1/1983	575.3	546.1	11/30/1986	18710.4	3/31/1991
100/14-17-001-25W1/0	Vertical	Abandoned	12/1/1982	3329.5	3407.1	2/28/1991	0	
102/14-17-001-25W1/0	Horizontal	Producing	10/1/2012	2721.2	7995.1	12/31/2015	0	
103/14-17-001-25W1/0	Horizontal	Producing	10/1/2012	2620.4	9055.5	12/31/2015	0	
104/14-17-001-25W1/0	Horizontal	Producing	10/1/2012	3663.5	16432.8	12/31/2015	0	
100/01-18-001-25W1/0	Vertical	Abandoned	7/1/1984	1218.6	4170.4	9/30/1989	0	
102/01-18-001-25W1/0	Horizontal	Producing	3/1/2013	2073	6863	12/31/2015	0	
103/01-18-001-25W1/0	Horizontal	Producing	3/1/2013	2294.6	6287.9	8/31/2015	0	
104/01-18-001-25W1/0	Horizontal	Producing	3/1/2013	2387.2	8228.6	11/30/2015	0	
100/02-18-001-25W1/0	Vertical	Abandoned	7/1/1984	470.5	2009.9	1/31/1989	0	
100/07-18-001-25W1/2	Vertical	Abandoned	7/1/1984	552	1360.1	11/30/1986	22094.1	6/30/1989
100/08-18-001-25W1/0	Vertical	Abandoned	1/1/1984	994.9	1770.7	6/30/1989	0	
100/09-18-001-25W1/0	Vertical	Abandoned	12/1/1983	471.5	801.2	5/31/1989	0	
102/09-18-001-25W1/0	Horizontal	Producing	10/1/2010	5691.2	10498.9	11/30/2014	0	
100/16-18-001-25W1/0	Vertical	Abandoned	8/1/1983	392.4	1633.1	9/30/1987	0	
100/08-19-001-25W1/2	Vertical	Abandoned	9/1/1985	1429.7	680.5	2/28/1993	0	
100/03-20-001-25W1/0	Vertical	Abandoned	3/1/1984	619.1	1304.7	7/31/1988	0	
102/03-20-001-25W1/0	Horizontal	Producing	3/1/2012	3399.7	52264.8	12/31/2015	0	
103/03-20-001-25W1/0	Horizontal	Producing	8/1/2012	3758.2	41956.1	12/31/2015	0	
104/03-20-001-25W1/0	Horizontal	Producing	9/1/2012	5641.4	96176.4	12/31/2015	0	
105/03-20-001-25W1/0	Horizontal	Producing	9/1/2012	4982	11654.5	12/31/2015	0	
100/05-20-001-25W1/0	Vertical	Abandoned	9/1/1985	301.4	33.9	11/30/1986	19243.9	1/31/1998
102/05-20-001-25W1/0	Horizontal	Producing	9/1/2012	4443.1	30956.8	12/31/2015	0	
103/05-20-001-25W1/0	Horizontal	Producing	9/1/2012	5337.6	3531.6	12/31/2015	0	
100/06-20-001-25W1/0	Vertical	Abandoned Zone	12/1/1985	1739.1	15353.4	11/30/1989	0	
100/11-20-001-25W1/0	Vertical	Producing	3/1/1983	17020.4	2242.2	11/30/2013	0	
104/12-20-001-25W1/0	Horizontal	Producing	8/1/2012	7432.7	48375.2	12/31/2015	0	
100/13-20-001-25W1/2	Vertical	Abandoned	12/1/1983	1796.3	3158	11/30/1986	26629.6	2/28/1998
102/13-20-001-25W1/0	Horizontal	Producing	3/1/2012	16061.8	36283.4	1/31/2016	0	
103/13-20-001-25W1/0	Horizontal	Producing	4/1/2012	12921.9	189496.1	12/31/2015	0	
100/14-20-001-25W1/0	Vertical	Abandoned Zone	11/1/1984	14474.7	31844.6	2/29/1996	0	
100/15-20-001-25W1/0	Vertical	Abandoned	12/1/1982	2110.6	1140.3	11/30/1986	36758.5	2/28/1998
100/16-20-001-25W1/0	Vertical	Abandoned	8/1/1984	470.6	2593.2	8/31/1989	0	
102/16-20-001-25W1/0	Horizontal	Producing	10/1/2011	5818.9	9488	12/31/2015	0	
103/16-20-001-25W1/0	Horizontal	Producing	10/1/2011	5095.3	32137.1	12/31/2015	0	
				156796.8	710327.2			
							123436.5	

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
12/31/1982	409	409.200	175	175.400	0.43		0.000	0.000	0.000
12/31/1983	4630	5039.600	3544	3719.200	0.77		0.000	0.000	0.000
12/31/1984	7337	12376.900	6433	10151.900	0.88		0.000	0.000	0.000
12/31/1985	6906	19282.900	12628	22780.000	1.83		0.000	0.000	0.000
12/31/1986	7259	26541.900	15666	38445.500	2.16		0.000	0.000	0.000
12/31/1987	4083	30625.200	17409	55854.700	4.26	56975	56975.400	2.577	0.626
12/31/1988	3990	34615.200	9108	64963.100	2.28	24688	81663.300	1.802	0.779
12/31/1989	2167	36782.100	5783	70745.600	2.67	4055	85718.300	0.490	0.758
12/31/1990	1090	37872.400	2399	73144.800	2.20	8295	94013.300	2.271	0.806
12/31/1991	781	38653.100	1533	74677.500	1.96	2560	96573.400	1.053	0.811
12/31/1992	1420	40073.500	871	75548.200	0.61	3335	99908.400	1.332	0.821
12/31/1993	1698	41771.600	1271	76819.200	0.75	5099	105007.100	1.582	0.841
12/31/1994	962	42733.400	1065	77884.300	1.11	4636	109643.500	2.135	0.863
12/31/1995	806	43539.500	1750	79634.600	2.17	4386	114029.900	1.638	0.879
12/31/1996	700	44239.900	270	79904.800	0.39	5135	119165.200	4.774	0.911
12/31/1997	855	45094.900	54	79958.600	0.06	3863	123028.000	3.725	0.933
12/31/1998	762	45857.200	89	80047.100	0.12	409	123436.500	0.423	0.930
12/31/1999	492	46349.600	49	80096.500	0.10		123436.500	0.000	0.925
12/31/2000	525	46874.100	40	80136.100	0.08		123436.500	0.000	0.921
12/31/2001	505	47378.800	28	80163.600	0.05		123436.500	0.000	0.917
12/31/2002	796	48175.200	39	80202.500	0.05		123436.500	0.000	0.910
12/31/2003	774	48949.300	34	80236.300	0.04		123436.500	0.000	0.904
12/31/2004	661	49610.500	42	80278.400	0.06		123436.500	0.000	0.899
12/31/2005	562	50172.300	47	80325.400	0.08		123436.500	0.000	0.894
12/31/2006	602	50774.100	43	80368.500	0.07		123436.500	0.000	0.890
12/31/2007	497	51270.700	37	80405.400	0.07		123436.500	0.000	0.886
12/31/2008	481	51751.500	34	80439.500	0.07		123436.500	0.000	0.882
12/31/2009	430	52181.400	29	80468.700	0.07		123436.500	0.000	0.879
12/31/2010	2053	54234.400	2896	83364.900	1.41		123436.500	0.000	0.847
12/31/2011	5473	59707.000	8828	92193.100	1.61		123436.500	0.000	0.767
12/31/2012	27678	87385.000	92244	184436.700	3.33		123436.500	0.000	0.433
12/31/2013	45054	132439.400	232319	416756.000	5.16		123436.500	0.000	0.217
12/31/2014	17956	150395.500	178770	595525.600	9.96		123436.500	0.000	0.161
12/31/2015	6383	156778.100	114669	710194.700	17.97		123436.500	0.000	0.138

TABLE NO. 3

**Tundra Oil and Gas
Waskada Unit No. 7
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. 7 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. 7 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	156.1	4,747.95
	1988	0	67.6	2,057.33
	1989	0	11.1	337.92
	1990	0	22.7	691.25
	1991	0	7.0	213.34
	1992	0	9.1	277.92
	1993	0	14.0	424.89
	1994	0	12.7	386.37
	1995	0	12.0	365.53
	1996	0	14.1	427.94
	1997	0	10.6	321.90
	1998	0	6.8	204.25
	1999	0	0.0	0.00
	2000	0	0.0	0.00
	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:				10,456.58

TABLE NO. 4

**Tundra Oil and Gas
Waskada Unit No. 7
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	11,611	19.89	617	341.48	10,586	17	16
Feb-15	12,211	22.39	627	492.24	13,783	22	18
Mar-15	13,952	26.68	827	450.59	13,968	17	19
Apr-15	13,427	25.12	754	400.89	12,027	16	19
May-15	13,953	22.79	706	340.24	10,548	15	19
Jun-15	13,217	23.92	718	316.69	9,501	13	18
Jul-15	13,440	21.49	666	301.43	9,344	14	18
Aug-15	9,336	11.53	358	111.43	3,454	10	13
Sep-15	7,008	6.35	191	19.15	575	3	10
Oct-15	11,832	11.32	351	301.34	9,342	27	16
Nov-15	11,472	10.94	328	321.30	9,639	29	16
Dec-15	10,512	7.79	242	383.99	11,904	49	14
	141,971		6,383		114,669		

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	984	13.20	409	5.66	175	0.43	1
31/12/1983	28008	12.65	386	9.72	295	0.94	3
31/12/1984	91944	20.04	611	17.53	536	0.88	11
31/12/1985	117078	18.92	576	34.62	1052	1.92	13
31/12/1986	147711	19.86	605	42.91	1305	2.27	17
31/12/1987	103318	11.18	340	47.76	1451	4.97	12
31/12/1988	85680	10.90	333	24.87	759	2.43	10
31/12/1989	62808	5.93	181	15.82	482	2.81	7
31/12/1990	33864	2.98	91	6.58	200	2.25	4
31/12/1991	25608	2.14	65	4.19	128	2.06	3
31/12/1992	24456	3.88	118	2.38	73	0.71	3
31/12/1993	17904	4.64	142	3.48	106	0.76	2
31/12/1994	16536	2.63	80	2.91	89	1.13	2
31/12/1995	15984	2.21	67	4.78	146	2.82	2
31/12/1996	9024	1.91	58	0.73	23	0.69	1
31/12/1997	8760	2.34	71	0.15	4	0.07	1
31/12/1998	8760	2.09	64	0.24	7	0.12	1
31/12/1999	8064	1.35	41	0.14	4	0.10	1
31/12/2000	8184	1.43	44	0.11	3	0.07	1
31/12/2001	8568	1.38	42	0.08	2	0.06	1
31/12/2002	8472	2.18	66	0.11	3	0.05	1
31/12/2003	8496	2.12	65	0.09	3	0.04	1
31/12/2004	8760	1.81	55	0.12	4	0.06	1
31/12/2005	8760	1.54	47	0.13	4	0.09	1
31/12/2006	8633	1.65	50	0.12	4	0.07	1
31/12/2007	8,760	1.36	41	0.10	3	0.07	1
31/12/2008	8,782	1.31	40	0.09	3	0.07	1
31/12/2009	8,760	1.18	36	0.08	2	0.07	1
31/12/2010	10,142	5.59	171	7.89	241	0.49	1
31/12/2011	18,934	14.98	456	24.10	736	1.59	2
31/12/2012	66,425	75.53	2,307	251.52	7687	3.57	8
31/12/2013	161,881	123.47	3,755	635.60	19360	5.85	19
31/12/2014	152,316	49.21	1,496	489.91	14897	10.03	18
31/12/2015	141,971	17.52	532	315.06	9556	19.35	16
	1,444,335		13,440		59,344		