

EWART UNIT NO. 2
WATERFLOOD EOR PROJECT
ANNUAL REPORT FOR 2017

May 2, 2018

Tundra Oil and Gas Partnership

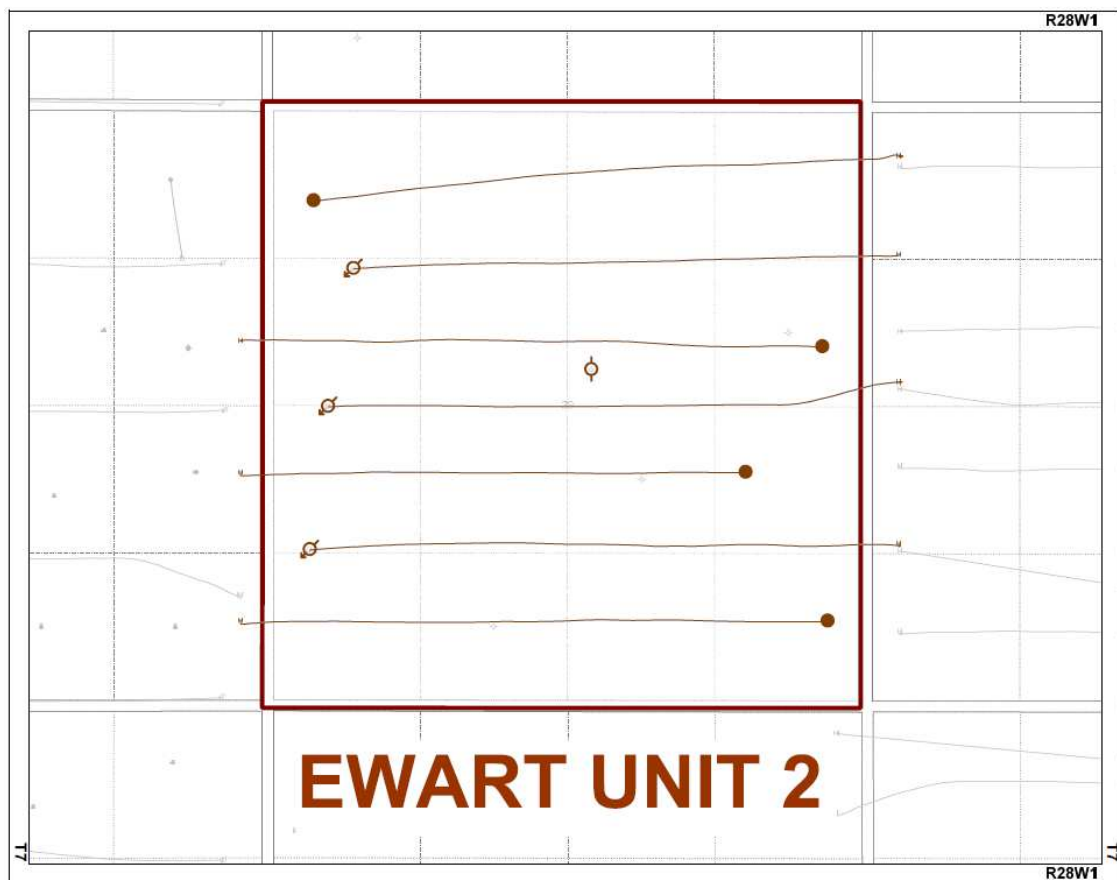
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| 100/05-29-007-28W1 | |
| 102/05-29-007-28W1 | |
| 100/12-29-007-28W1 | |

INTRODUCTION

Ewart Unit No. 2 Enhance Oil Recovery (EOR) Waterflood Project was approved under Waterflood Order No. 29 effective August 1, 2013 with Tundra Oil and Gas (Tundra) as Operator. The Unit area contains 4 producing horizontal wells, 3 horizontal injectors and 1 vertical observation well in 16 LSDs in Township 7 Range 28 W1 as shown in the figure below.

Figure 1: Ewart Unit No. 2 Area Outline



In accordance with Section 73 of the Manitoba Drilling and Production Regulation, Tundra hereby submits the following 2017 Annual Progress Report for Ewart Unit No. 2.

DISCUSSION

Production History

For the wells included in Ewart Unit No. 2, production started in August 2008 with the 00/008-29-007-28W1 well. Average oil production peaked at 13.8 m³/d per well in April of 2009. This production was coming from 3 wells and totaled 41.41 m³/d for the Unit. In

December 2017, the Unit was producing 2.56 m³/d of oil and 9.86 m³/d of water and the average WOR was 3.57 m³/m³. Water injection commenced in Ewart Unit No. 2 in November 2013. The rates and WOR are presented in Figure 2.

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

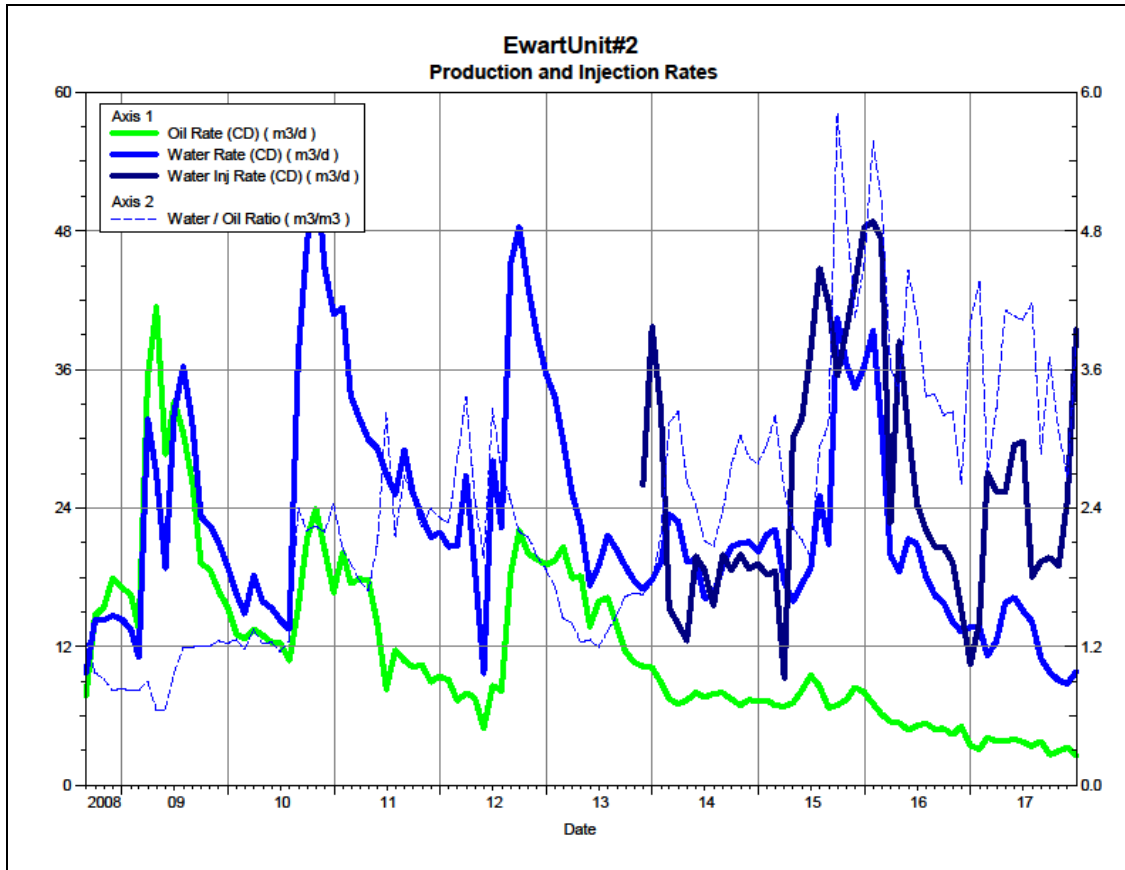
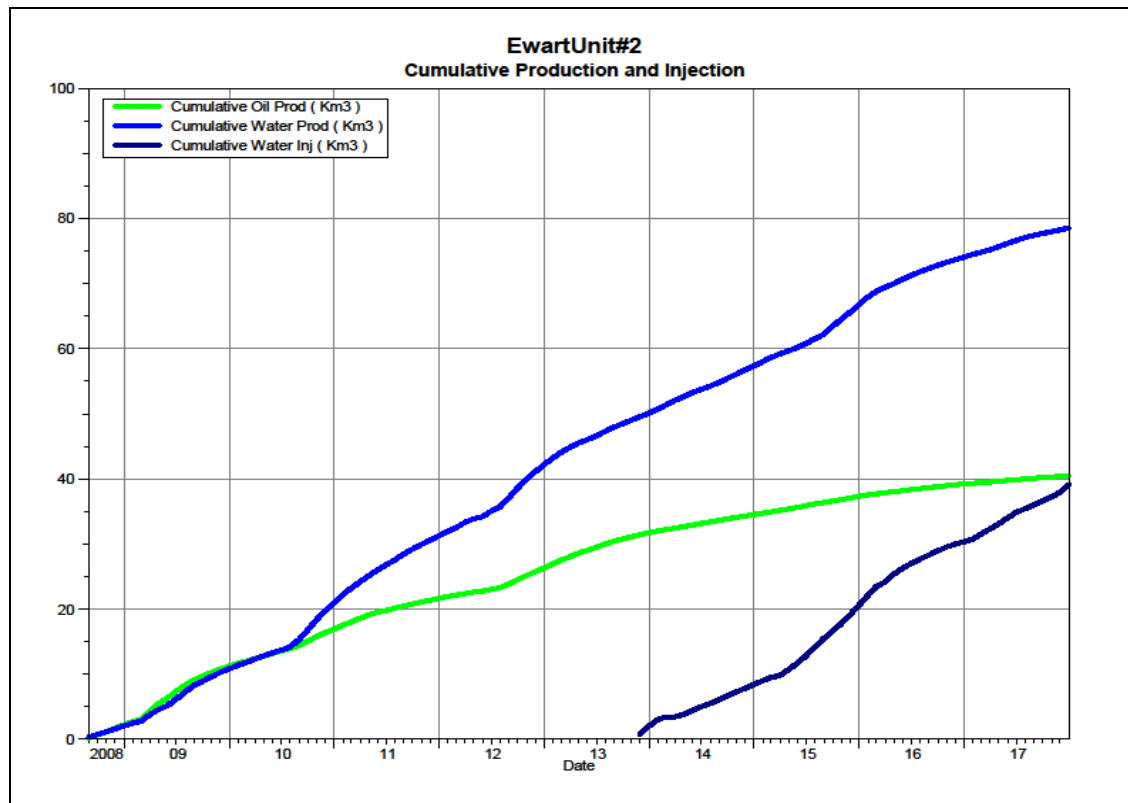


Figure 3 shows the cumulative production for Ewart Unit No. 2 to the end of December 2017 as 40.5 e³m³ of oil, and 78.6 e³m³ of water, representing a 14.0% recovery factor of the OOIP (288.9 e³m³). The cumulative water injected is 39.2 e³m³.

Figure 3: Ewart Unit No. 2 Cumulative Oil, Water and Water Injected vs Time



Waterflood Development Plan

Ewart Unit No. 2 Waterflood (WF) Development Plan

Ewart Unit No. 2 is still in the development phase at the end of 2017. The three (3) proposed horizontal injection wells were drilled in 2011 between the existing horizontal producing wells, completing an effective 20 acre line drive waterflood pattern. All horizontal wells are fracture stimulated to improve the injection rates. In 2012, the proposed injectors were put on production and in November 2013, the 02/05-29 and 00/12-29-007-28W1 wells were converted to injectors. In October 2017, Tundra converted the 00/05-29-007-28W1 (00/05-29) producer to an injector.

Production performance by injector pattern is summarized in Appendix A.

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. 2 was sourced from the 02/16-32-007-29W1 well (Lodgepole formation) until June 2016 when it was switched over to the newly recompleted source water well at 02/14-30-007-28W1 (Mannville formation). The water is treated at the 04-01-008-29W1 filtration plant where it is filtered to 0.1 microns and has scale inhibitor and biocide added. The injection water is then distributed to the injectors through the dedicated infrastructure system.

Injection Wellhead Pressures

Injection started in this Unit in November 2013. The average monthly wellhead injection pressure for each injector is summarized in Appendix C. Since injection in this Unit is still in the early stages, the injectors are still building up to a target injection pressure of 6300 kPaa.

Reservoir Pressure

Where practical, Tundra is committed to collecting pressure data from newly drilled injection wells. For Ewart Unit No. 2, pressure data is currently available for the 02/05-29, 00/10-29 and 00/12-29-007-28W1 locations. A summary table is presented in Appendix B. Pressures are corrected to a common datum of -450 m SS for comparison with other units in the area.

Well Servicing

Table 1 lists the maintenance that was required in Ewart Unit No. 2 in 2017.

Table 1: Service and Maintenance in Ewart Unit No. 2

| | | |
|----------------------|----------------|------------|
| 100/05-29-007-28W100 | WIW Conversion | 10/05/2017 |
|----------------------|----------------|------------|

Waterflood Performance Discussion

At the end of 2017, Ewart Unit No. 2 waterflood area had 3 injection patterns in place. In October 2017, Tundra converted the 00/05-29 producer to an injector. Since water injection started in November 2013, there is no waterflood analysis that can be done at this time.

A summary table of the injector pattern(s) is presented in Appendix A. Plots of the production and injection data along with the VRR information are presented in Appendix D for each of the injector pattern(s).

List of Appendices

Appendix A: Injection Pattern Summary

Appendix B: Reservoir Pressure Summary

Appendix C: Average Monthly Injection Pressure Summary

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

100/05-29-007-28W1

102/05-29-007-28W1

100/12-29-007-28W1

Appendix A

Ewart Unit No. 2 Injection Pattern Summary as of December 2017

| Pattern Name | Injector BH Location (007-28W1) | Injector Surf. Location (007-28W1) | Status | No. of Supported Wells | Supported Wells (007-28W1) | 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 |
|----------------------------|------------------------------------|---------------------------------------|-----------------|------------------------|-------------------------------|-------------------|--------------------------|-----------------|--------------------|----------------------|----------------|---------------------------|-------------------|---------------------|-------------------------|-------------|---------|
| 00/05-29-007-28W1 Injector | 00/05-29 | 00/05-28 | Water Injection | 2 | 01-29, 08-29 | 0.5 | Aug 2008 | Oct 2017 | 1.0 | 2.6 | 2.45 | 9.9 | 16.8 | 18.8 | 0.5 | 2.706 | 0.015 |
| 02/05-29-007-28W1 Injector | 02/05-29 | 00/12-28 | Water Injection | 2 | 08-29, 02/09-29 | 0.5 | Aug 2008 | Nov 2013 | 0.4 | 2.1 | 5.31 | 15.1 | 9.7 | 17.1 | 12.2 | 5.999 | 0.443 |
| 00/12-29-007-28W1 Injector | 00/12-29 | 02/13-28 | Water Injection | 2 | 02/09-29, 13-29 | 0.5 | Feb 2009 | Nov 2013 | 0.2 | 2.4 | 9.99 | 14.5 | 5.5 | 24.8 | 26.5 | 5.497 | 0.862 |

APPENDIX B

Ewart Unit No. 2 - Pressure Summary

| Location | Test Date | Final Pressure (kPaa) | MPP (mTVD) | KB | Datum Depth | Gradient | Pressure @ -450 masl |
|-----------------------|------------------------------|-----------------------|------------|-------|-------------|----------|----------------------|
| 102/05-29-007-28W1/00 | Nov 24, 2011 - June 29, 2012 | 5664.5 | 952.3 | 499.8 | -450 | 8.25 | 5644 |
| 100/10-29-007-28W1/00 | Nov 30, 2011 - Feb 8, 2012 | 9050.4 | 960.0 | 494.0 | -450 | 8.25 | 8918 |
| 100/12-29-007-28W1/00 | Nov 20 - Dec 12, 2011 | 8877.7 | 951.6 | 500.4 | -450 | 8.25 | 8867 |

Appendix C

Average Monthly Injection Pressure (kPag)

| Month | 100/05-29 | 102/05-29 | 100/12-29 |
|--------|-----------|-----------|-----------|
| Mar-13 | 0 | 0 | 0 |
| Apr-13 | 0 | 0 | 0 |
| May-13 | 0 | 0 | 0 |
| Aug-13 | 0 | 0 | 0 |
| Sep-13 | 0 | 0 | 0 |
| Oct-13 | 0 | 0 | 0 |
| Nov-13 | 0 | 0 | 0 |
| Dec-13 | 0 | 0 | 568 |
| Jan-14 | 0 | 0 | 1057 |
| Feb-14 | 0 | 0 | 1100 |
| Mar-14 | 0 | 0 | 705 |
| Apr-14 | 0 | 0 | 1234 |
| May-14 | 0 | 0 | 1815 |
| Jun-14 | 0 | 0 | 1582 |
| Jul-14 | 0 | 0 | 2246 |
| Aug-14 | 0 | 0 | 2477 |
| Sep-14 | 0 | 0 | 2799 |
| Oct-14 | 0 | 0 | 2999 |
| Nov-14 | 0 | 0 | 3092 |
| Dec-14 | 0 | 0 | 3105 |
| Jan-15 | 0 | 0 | 3331 |
| Feb-15 | 0 | 0 | 3331 |
| Mar-15 | 0 | -18 | 3308 |
| Apr-15 | 0 | 86 | 3404 |
| May-15 | 0 | 710 | 3576 |
| Jun-15 | 0 | 1444 | 3801 |
| Jul-15 | 0 | 2031 | 3816 |
| Aug-15 | 0 | 1595 | 3591 |
| Sep-15 | 0 | 2044 | 3547 |
| Oct-15 | 0 | 1958 | 3847 |
| Nov-15 | 0 | 2690 | 4286 |
| Dec-15 | 0 | 3087 | 4502 |
| Jan-16 | 0 | 3287 | 4626 |
| Feb-16 | 0 | 680 | 4251 |
| Mar-16 | 0 | 1629 | 4567 |
| Apr-16 | 0 | 1034 | 4860 |
| May-16 | 0 | 37 | 4949 |
| Jun-16 | 0 | -83 | 4977 |
| Jul-16 | 0 | 316 | 5130 |
| Aug-16 | 0 | 653 | 4975 |
| Sep-16 | 0 | 450 | 4977 |
| Oct-16 | 0 | 588 | 4515 |
| Nov-16 | 0 | 667 | 3635 |
| Dec-16 | 0 | 733 | 4093 |
| Jan-17 | 0 | 1052 | 5429 |
| Feb-17 | 0 | 1408 | 5507 |
| Mar-17 | 0 | 1737 | 5628 |
| Apr-17 | 0 | 1747 | 6023 |
| May-17 | 0 | 1981 | 6137 |
| Jun-17 | 0 | 2042 | 5222 |
| Jul-17 | 0 | 2179 | 5260 |
| Aug-17 | 0 | 2163 | 5359 |
| Sep-17 | 785 | 2049 | 5252 |
| Oct-17 | 139 | 2537 | 4998 |
| Nov-17 | -93 | 4488 | 5476 |
| Dec-17 | 155 | 985 | 3549 |

Appendix D

Rates and VRR Plots

Pattern: 00/05-29-007-28Inj Set: EwartUnit#2

Oil Formation Vol Factor : 1.07100 m3/m3

Water Formation Vol Factor : 1.00150 m3/m3

Water / Oil Ratio : 4.41 m3/m3

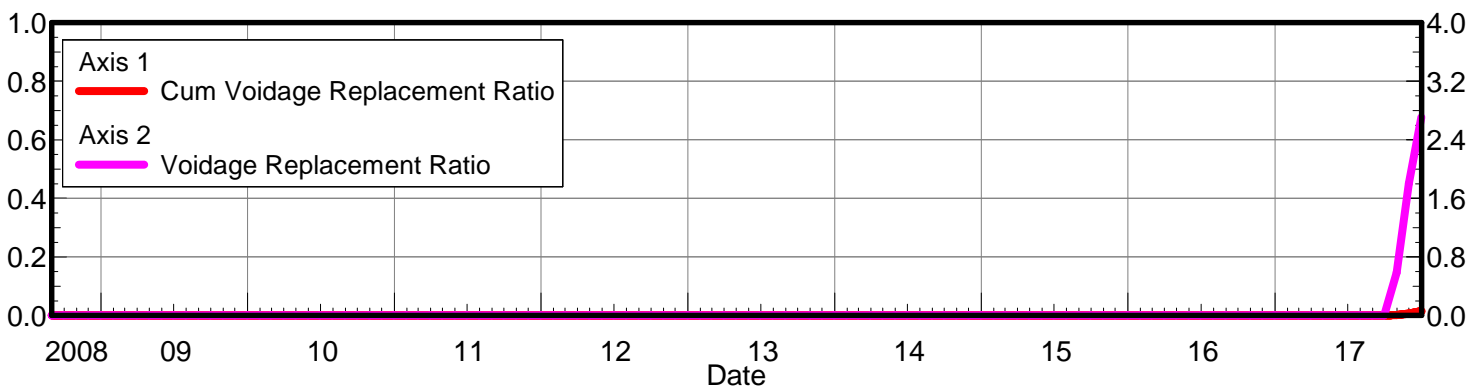
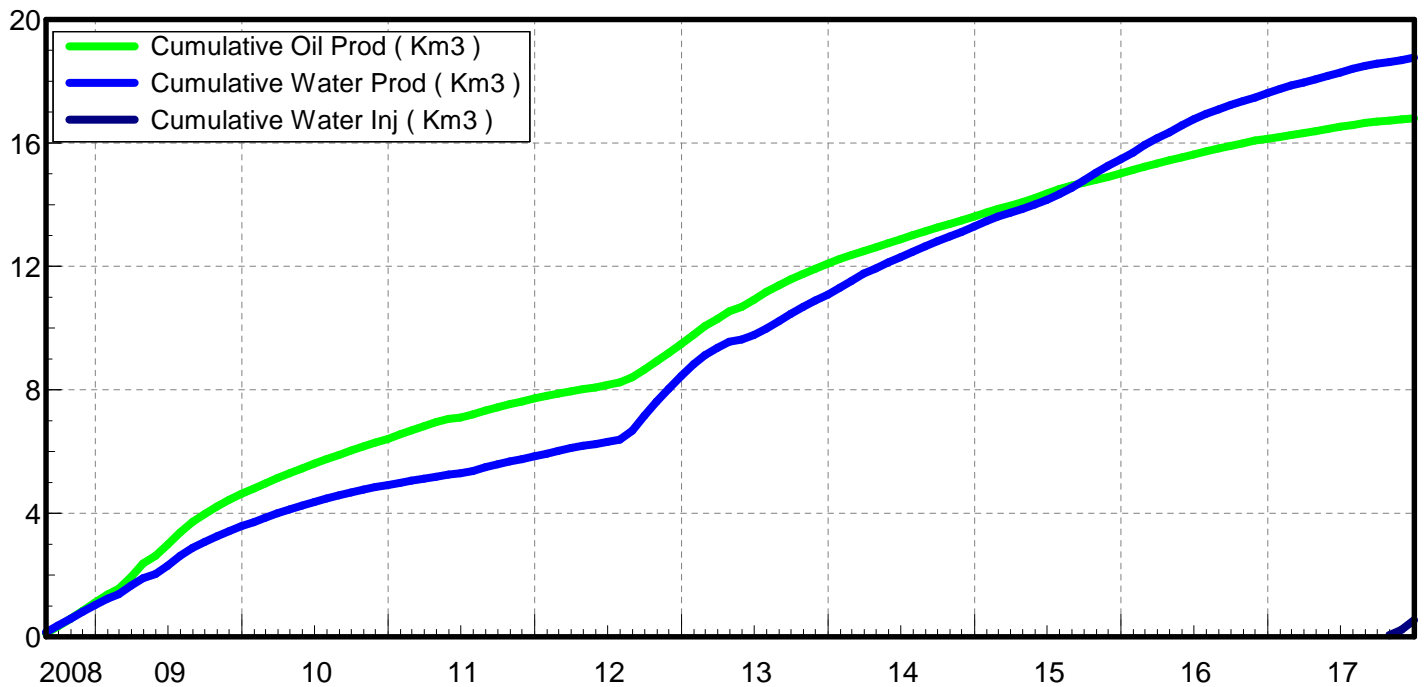
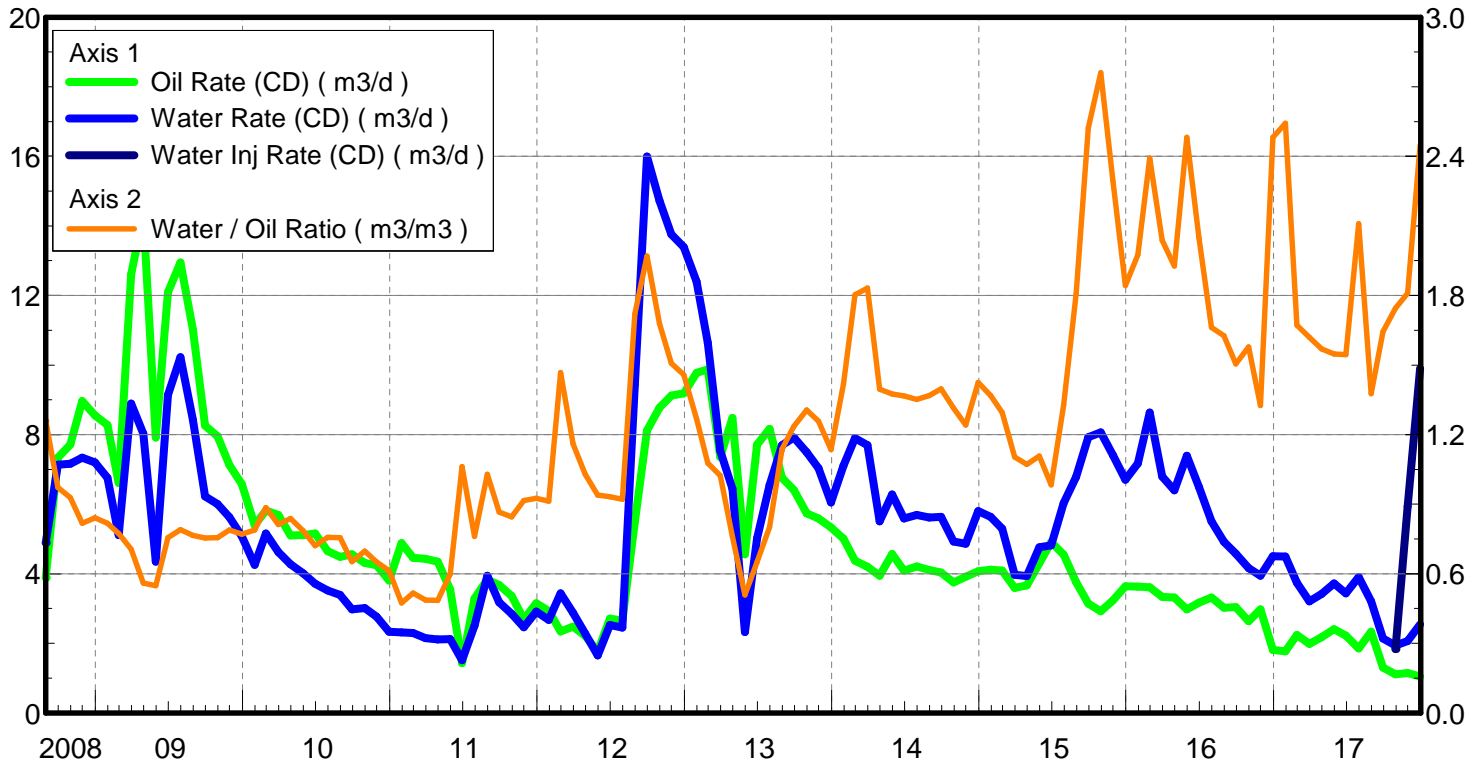
March 05, 2018

Operator: TUNDRA_OIL_AND_GAS_PARTNER

Oil Rate (CD) : 1.04 m3/d

Water Rate (CD) : 2.55 m3/d

Water Inj Rate (CD) : 9.90 m3/d



Pattern: 02/05-29-007-28Inj Set: EwartUnit#2

Oil Formation Vol Factor : 1.07100 m3/m3

Water Formation Vol Factor : 1.00150 m3/m3

Water / Oil Ratio : 9.16 m3/m3

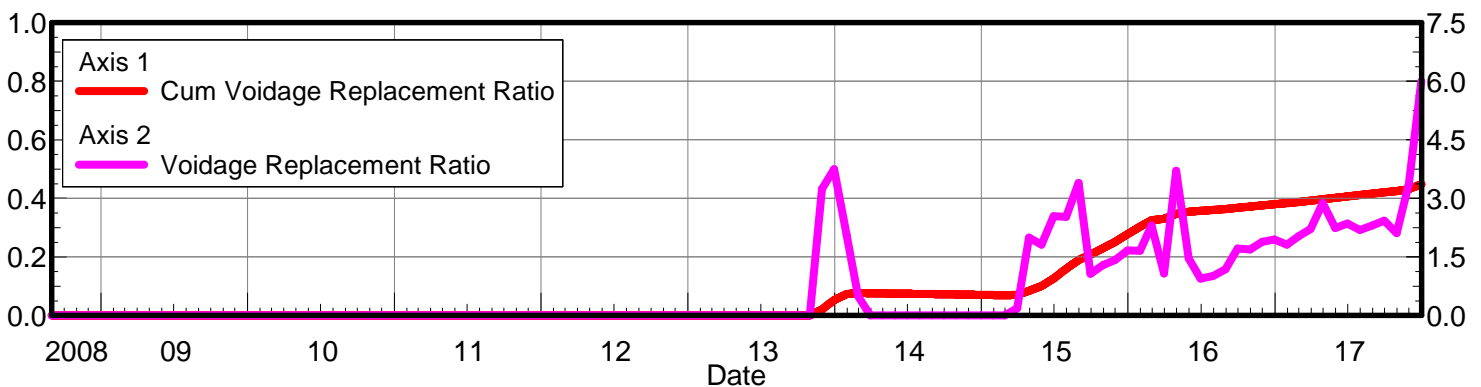
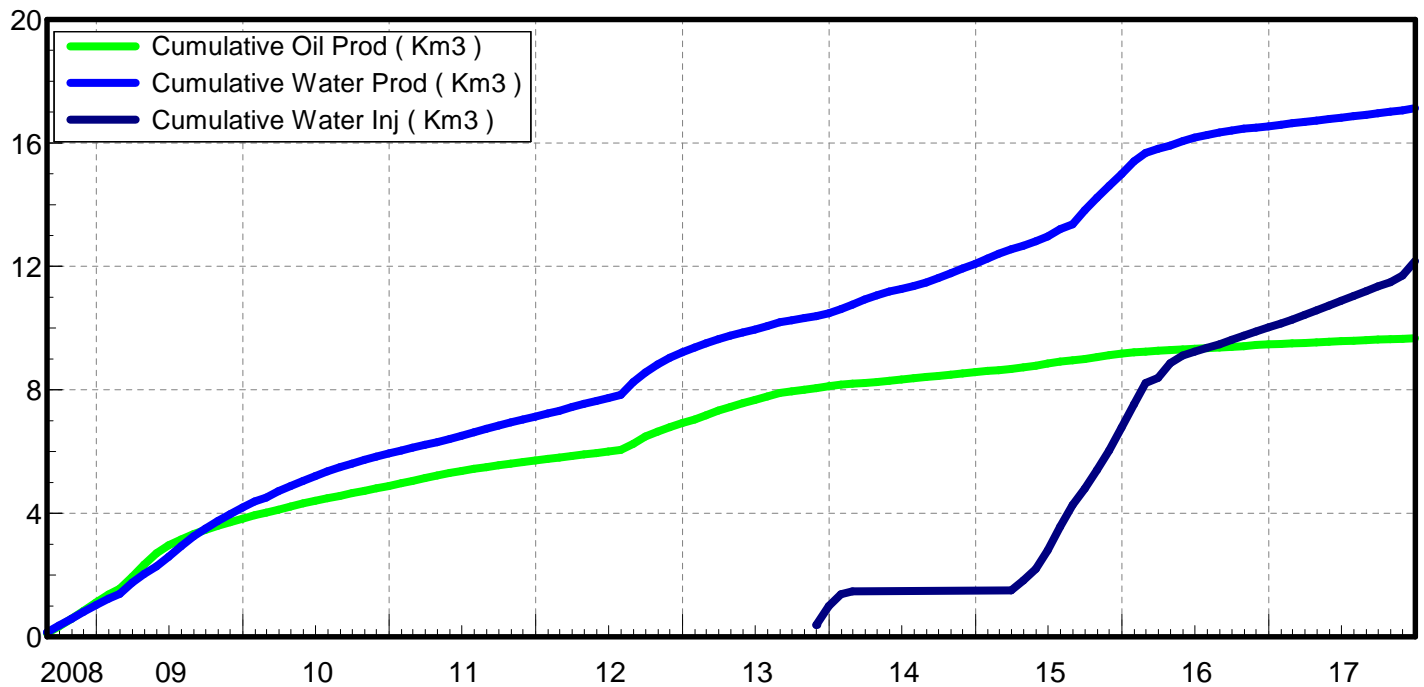
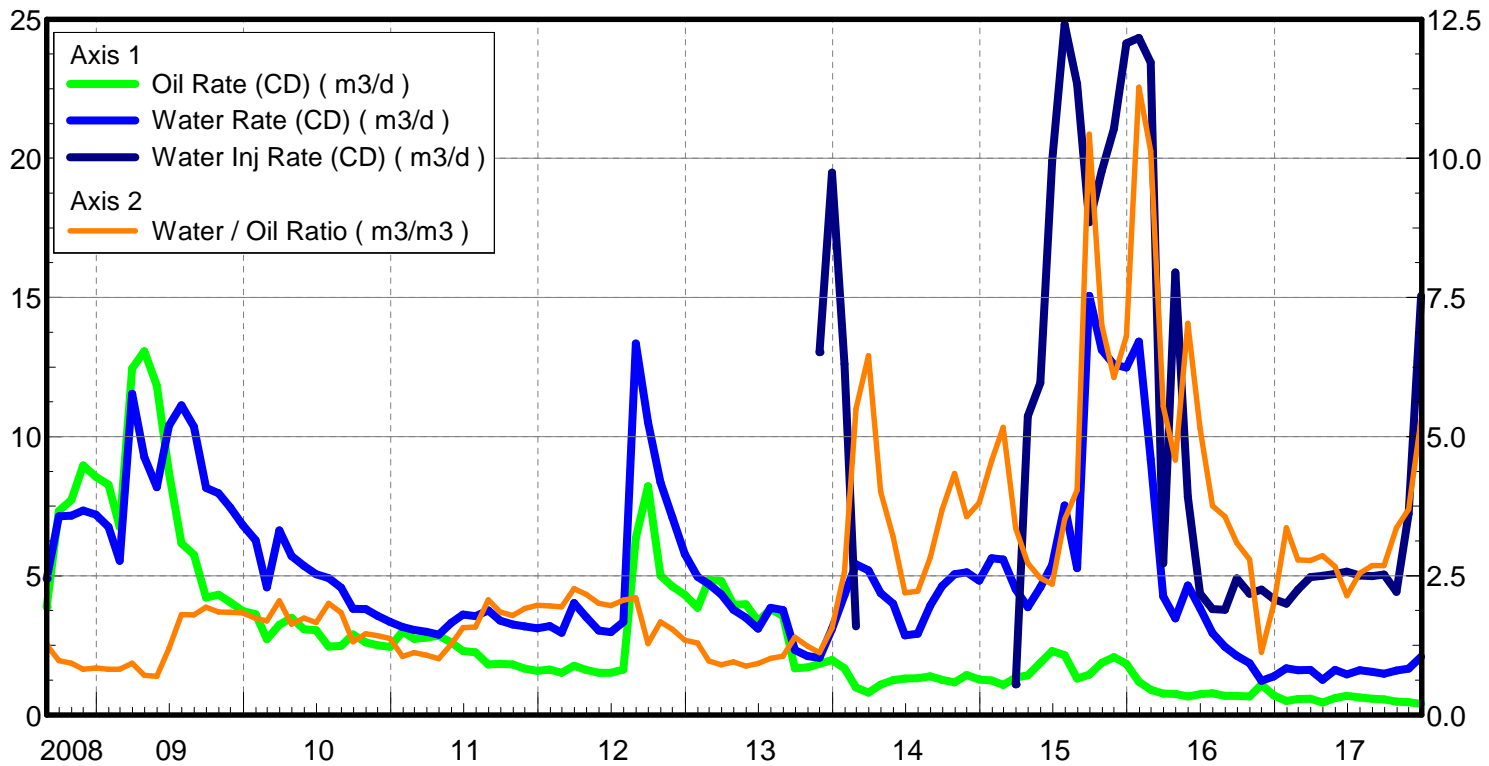
March 05, 2018

Operator: TUNDRA_OIL_AND_GAS_PARTNER

Oil Rate (CD) : 0.39 m3/d

Water Rate (CD) : 2.09 m3/d

Water Inj Rate (CD) : 15.06 m3/d



Pattern: 00/12-29-007-28Inj Set: EwartUnit#2

Oil Formation Vol Factor : 1.07100 m3/m3

Water Formation Vol Factor : 1.00150 m3/m3

Water / Oil Ratio : 20.05 m3/m3

March 05, 2018

Operator: TUNDRA_OIL_AND_GAS_PARTNER

Oil Rate (CD) : 0.24 m3/d

Water Rate (CD) : 2.39 m3/d

Water Inj Rate (CD) : 14.52 m3/d

