

July 21, 2011

Manitoba Science, Technology, Energy and Mines
Petroleum Branch
Box 1359, 227 King Street W
Virden, Manitoba
R0M 2C0

Attention: Jennifer Abel Chief Petroleum Engineer

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

Thank you for confirming receipt and preliminary review of the proposed Sinclair Unit No. 7 Unitization and Waterflood EOR Application submitted by Tundra Oil and Gas (Tundra).

As requested by your letter on July 8th, Tundra hereby submits the following additional information to supplement the original Application.

Owners, addresses and notifications

Tundra will submit a list of the names, addresses of the owners within 0.5 km of the project area along with proof of service of the notice by July 24th.

The royalty interest owner in the southeast of Section 15-008-29W1 has been updated. The working and royalty interests and tract factors are unchanged. An updated copy of Appendix 19, the Working and Royalty Interest Table, is attached.

Inter-unit producers/injectors

Tundra does not plan to drill the inter-unit injectors until the end of 2012. If, at that time, the best location for these injectors will infringe upon the 100m unit boundaries, then Tundra will have new production allocation agreements drawn up which will satisfy all parties from all of the affected units.

Geological Reports

Revised Appendices 2, 3, 5, 7, 12, 13, 15 and 16 are attached.

Disposal Wells

Tundra intends to maintain 15-14-8-29 (Lic 6027) 16-14-8-29 (Lic 5530) as disposal wells into Pool 59 indefinitely into the future. Additional producing wells completed in Pool 62B within LSD's 15 and 16-8-29 will be evaluated after Unitization is complete.

Reservoir Pressures

Estimated original reservoir pressure for Unit No. 7 is approximately 9500 kPa. Bubble point for the Unit is 2034 kPa. Appendix 18 is attached.

Tundra intends to measure reservoir pressure at all the new horizontal wells prior to the start of the primary production period. These measured pressures will be compared to the predicted reservoir pressure derived from an empirical regression analysis method utilizing cumulative fluid produced from a given pattern vs. measured pressure as derived from Sinclair Units 1, 2 and 3 WF wells. Tundra will also use these data to continue development of a more rigorous material balance method to predict the expected reservoir pressure through the primary production period. Selected shut in and build up pressure surveys may also be employed to confirm predicted reservoir pressures through the primary production period.

Third Party Engineering Report

A copy of the GLJ engineering report is attached.

If you have any questions or require further discussion, please contact Andrew Taylor 403-767-1231 or William (Bill) Jenkins at 403-513-1018.

Yours truly,

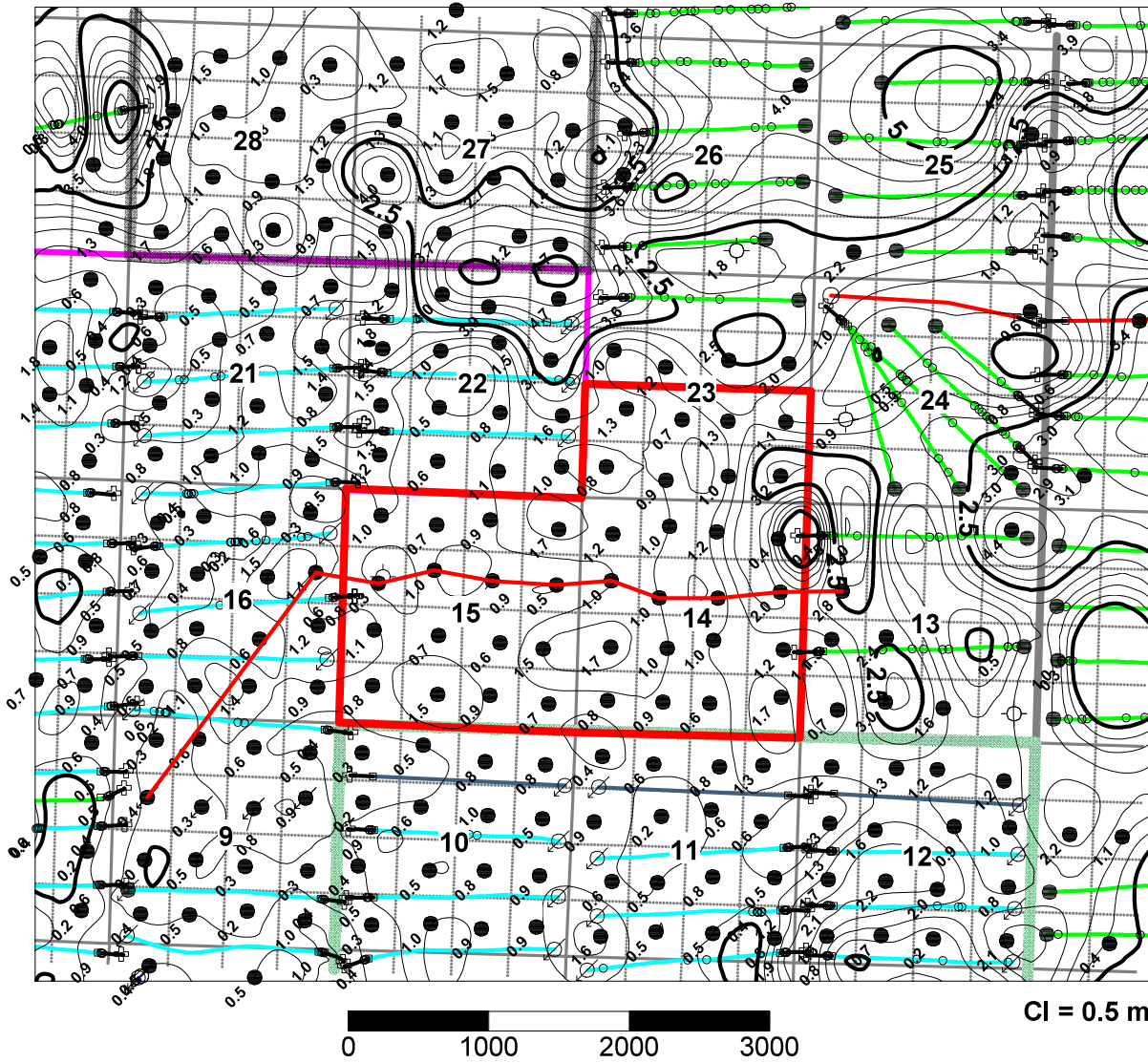
TUNDRA OIL & GAS PARTNERSHIP

Andrew Taylor
Engineering Assistant

Enclosures:

- Appendix 2 Sinclair Unit 7 - Middle Bakken Isopach Map
 - Appendix 3 Sinclair Unit 7 – Lyleton A Isopach Map
 - Appendix 5 Sinclair Unit 7 – Lyleton B Isopach Map
 - Appendix 7 Sinclair Unit 7 – Middle Bakken Structure Map
 - Appendix 12 Middle Bakken $k - h$ (md*m) Core Data Permeability Map
 - Appendix 13 Middle Bakken $\Phi - h$ (por*m) Core Data Porosity Map
 - Appendix 15 Lyleton A $\Phi - h$ (por*m) Core Data Porosity Map
 - Appendix 16 Lyleton B $k - h$ (md*m) Core Data Permeability Map
 - Appendix 18 Middle Bakken / Three Forks Formations Rock and Fluid Properties
 - Appendix 19 Sinclair Unit 7, 40 acre LSD Tracts Land and Ownership Listing
- GLJ Proposed Unit 7 OOIP and RF Report

Rge 29W1M



Twp 8

CI = 0.5 m

— Line of Cross section

● Oilwell (including producing Hz wells)

— As Drilled Hz well

✦ Abnd Oilwell

— Surveyed Hz well

⊕ Hz Surface

— As Drilled Hz WIW

□ Intermediate Casing

— Surveyed Hz WIW

○ Top in Hz wellbore

— Unit 7 Boundary

∅ Injector

— Unit 1 Boundary

○ Location

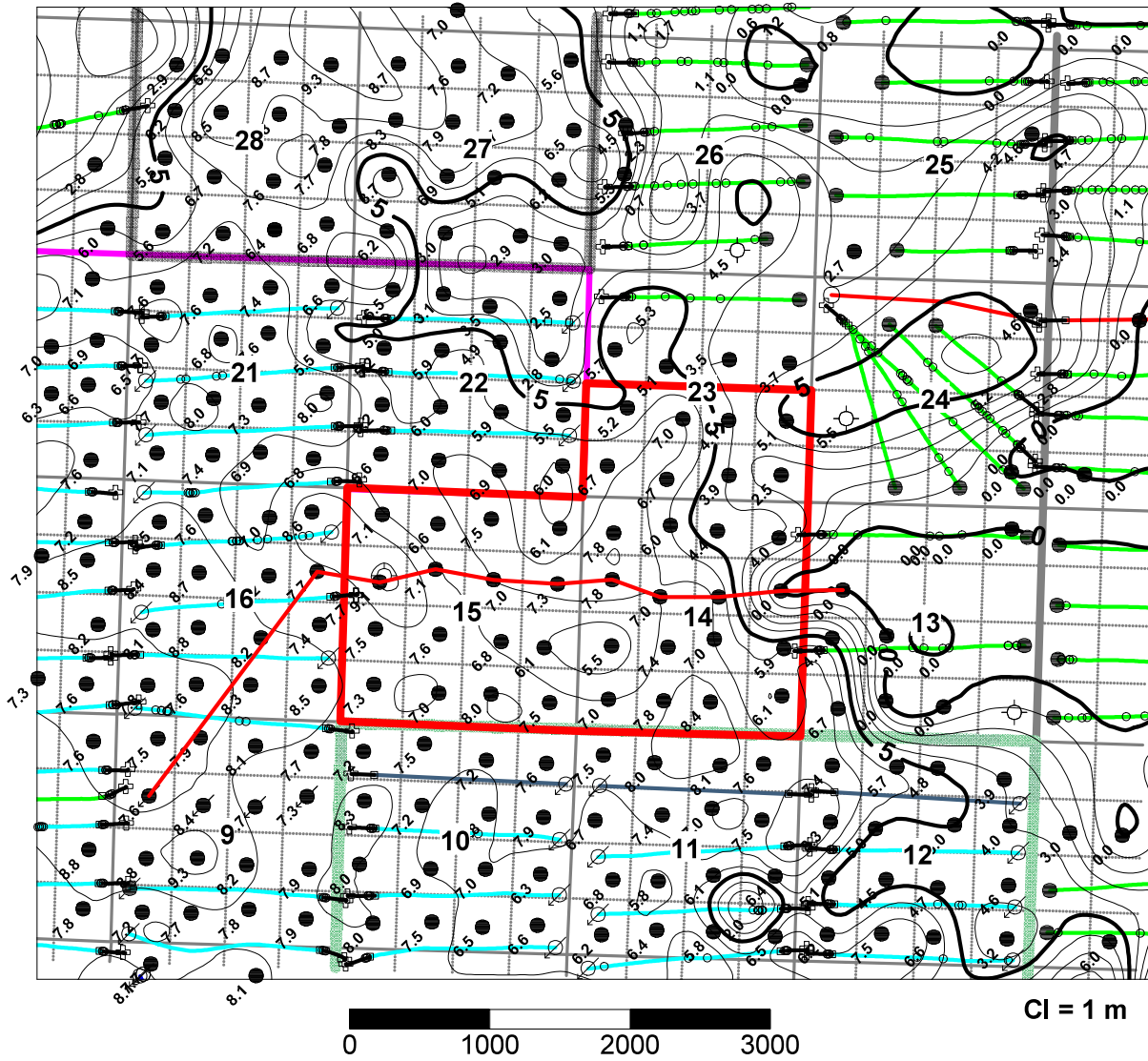
— Unit 3 Boundary

— Unit 6 Boundary

**Proposed Sinclair Unit 7
Middle Bakken Isopach
Appendix 2**

Barry W. Larson
July 11, 2011

Rge 29W1M



Twp 8

CI = 1 m

0 1000 2000 3000

— Line of Cross section

● Oilwell (including producing Hz wells)

— As Drilled Hz well

✦ Abnd Oilwell

— Surveyed Hz well

⊕ Hz Surface

— As Drilled Hz WIW

□ Intermediate Casing

— Surveyed Hz WIW

○ Top in Hz wellbore

— Unit 7 Boundary

∅ Injector

— Unit 1 Boundary

○ Location

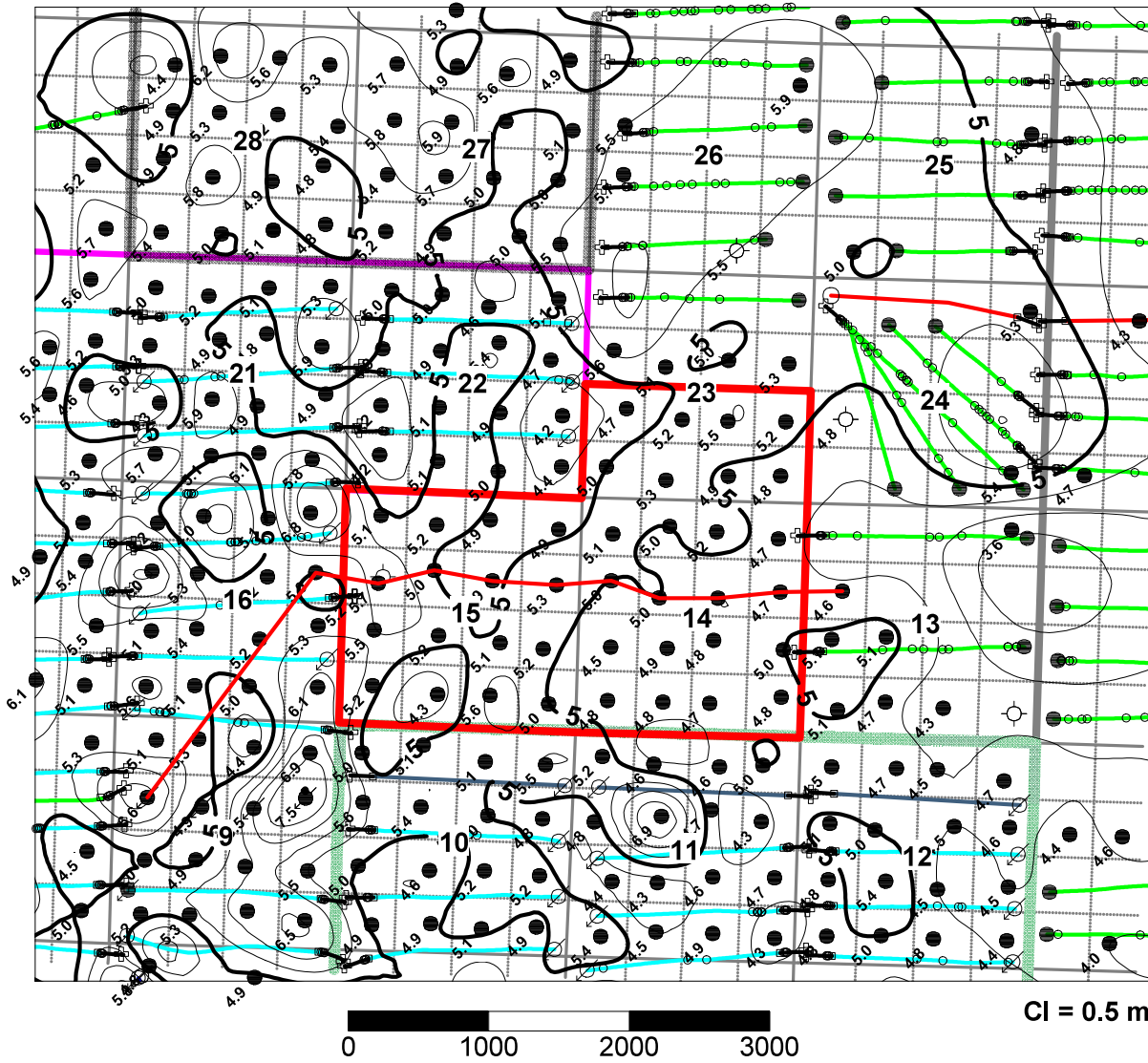
— Unit 3 Boundary

— Unit 6 Boundary

**Proposed Sinclair Unit 7
Lyleton A Isopach
Appendix 3**

Barry W. Larson
July 11, 2011

Rge 29W1M



Twp 8

CI = 0.5 m

— Line of Cross section

● Oilwell (including producing Hz wells)

— As Drilled Hz well

✦ Abnd Oilwell

— Surveyed Hz well

⊕ Hz Surface

— As Drilled Hz WIW

□ Intermediate Casing

— Surveyed Hz WIW

○ Top in Hz wellbore

— Unit 7 Boundary

∅ Injector

— Unit 1 Boundary

○ Location

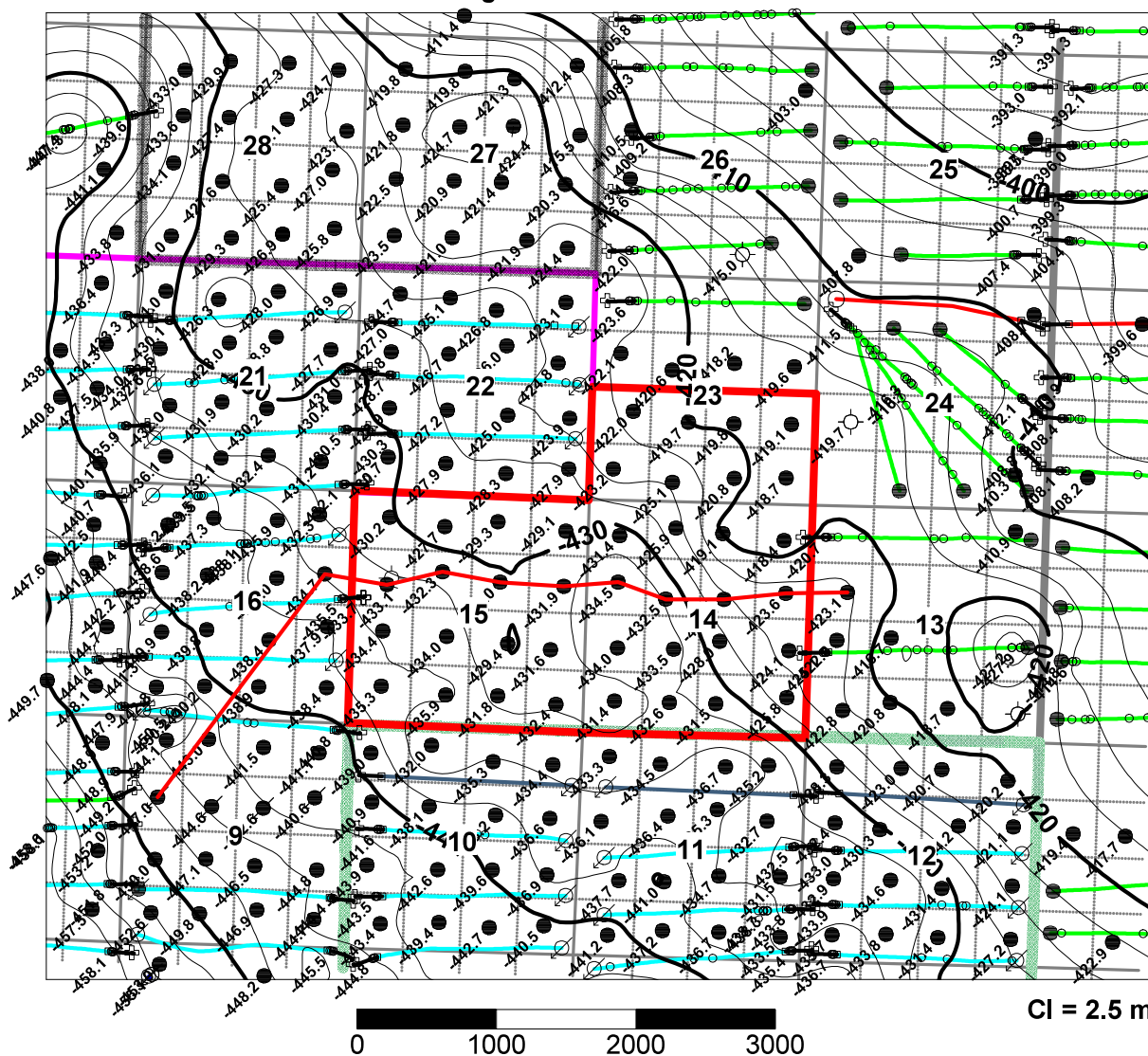
— Unit 3 Boundary

— Unit 6 Boundary

**Proposed Sinclair Unit 7
Lyleton B Isopach
Appendix 5**

Barry W. Larson
July 11, 2011

Rge 29W1M



Twp 8

CI = 2.5 m

— Line of Cross section

● Oilwell (including producing Hz wells)

— As Drilled Hz well

✦ Abnd Oilwell

— Surveyed Hz well

⊕ Hz Surface

— As Drilled Hz WIW

□ Intermediate Casing

— Surveyed Hz WIW

○ Top in Hz wellbore

— Unit 7 Boundary

∅ Injector

— Unit 1 Boundary

○ Location

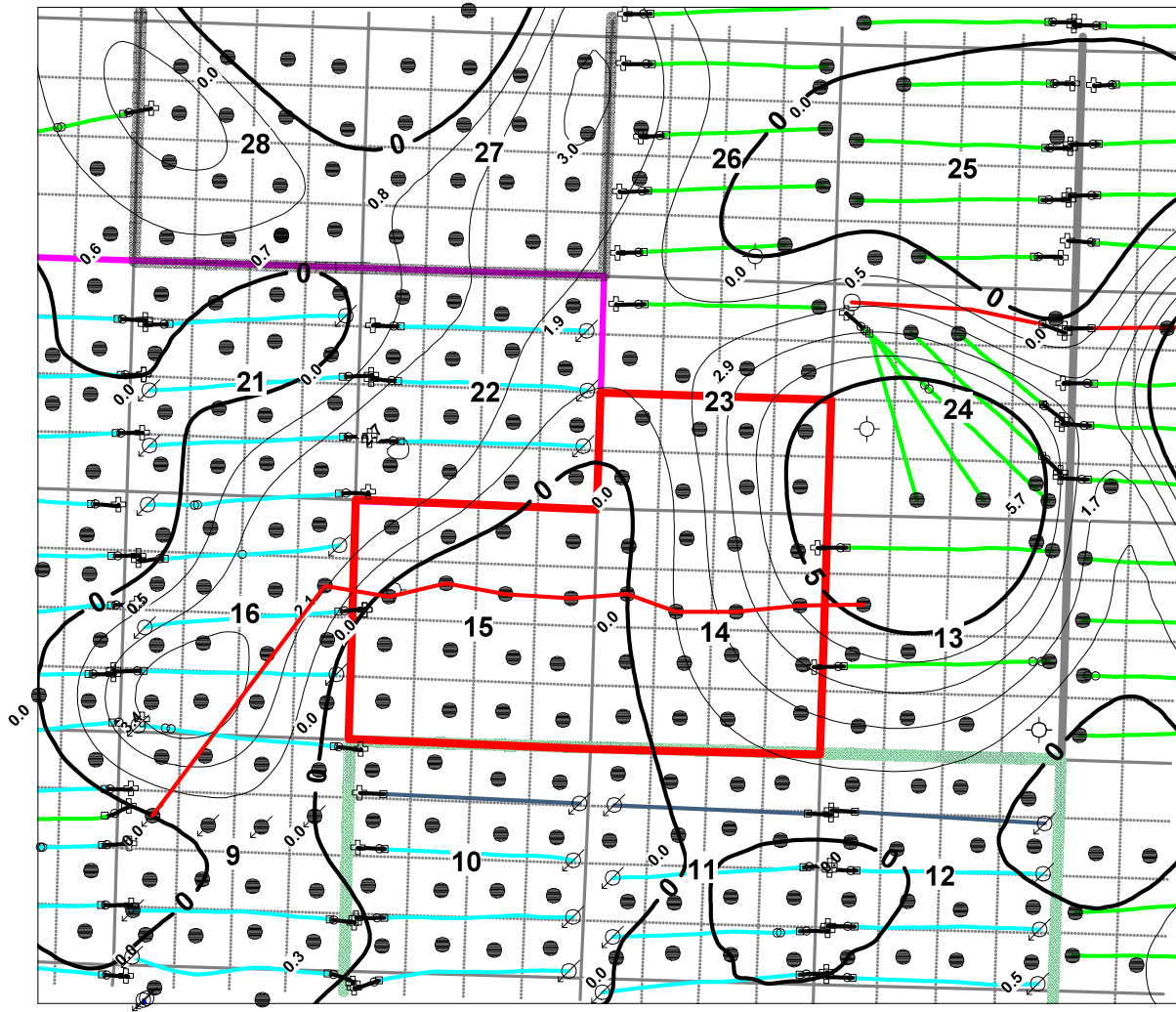
— Unit 3 Boundary

— Unit 6 Boundary

**Proposed Sinclair Unit 7
Top Middle Bakken Structure
Appendix 7**

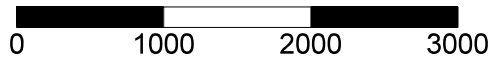
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Rge 29W1M



Twp 8

Cl = 1 md-m



**Proposed Sinclair Unit 7
Middle Bakken k-h
Appendix 12**

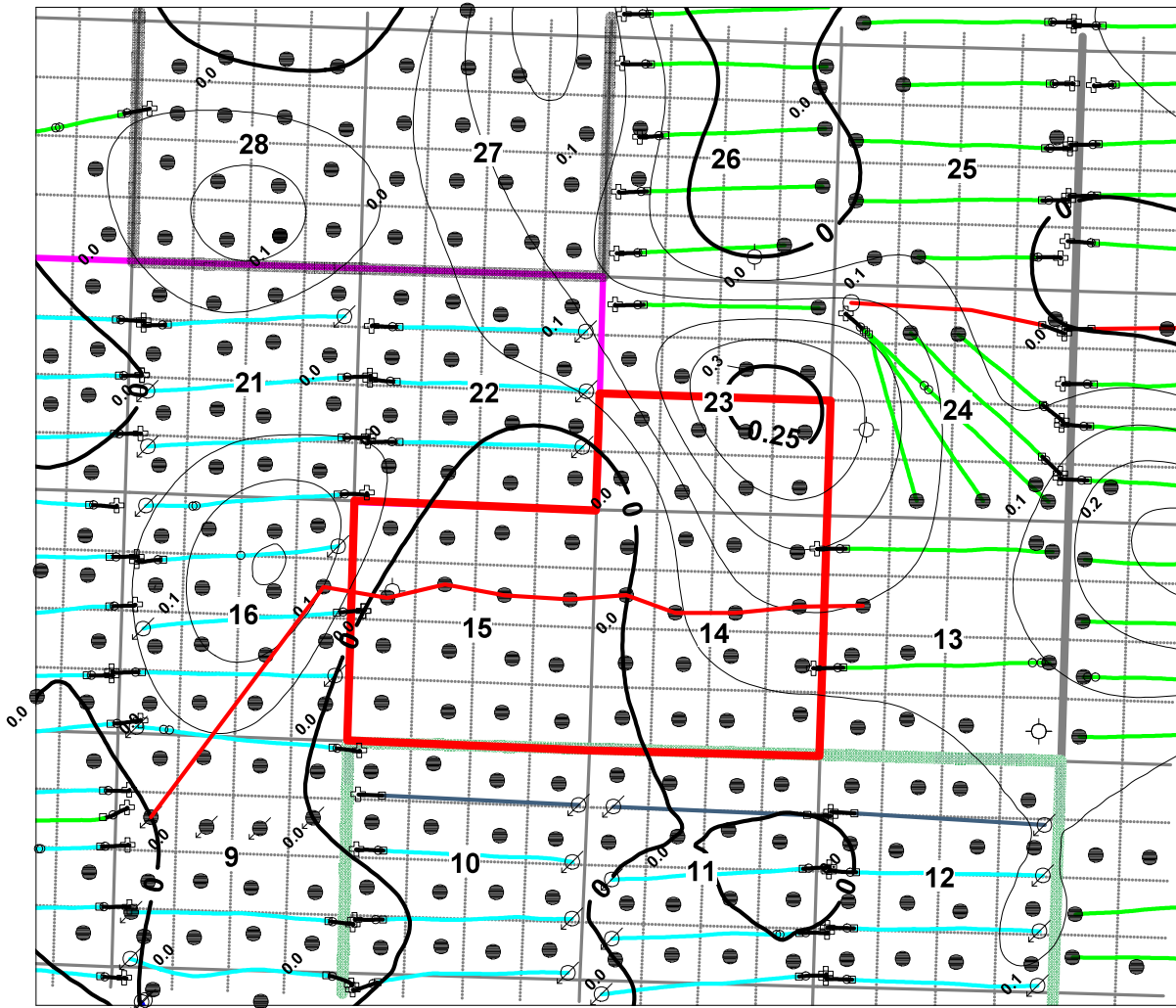
— Line of Cross section

- Oilwell (including producing Hz wells)
- ✦ Abnd Oilwell
- ⊕ Hz Surface
- Intermediate Casing
- Top in Hz wellbore
- ∅ Injector
- Location

- As Drilled Hz well
- Surveyed Hz well
- As Drilled Hz WIW
- Surveyed Hz WIW
- Unit 7 Boundary
- Unit 1 Boundary
- Unit 3 Boundary
- Unit 6 Boundary

Barry W. Larson
July 11, 2011

Rge 29W1M



Twp 8

CI = 0.05 por-m

0 1000 2000 3000

— Line of Cross section

● Oilwell (including producing Hz wells)

— As Drilled Hz well

✦ Abnd Oilwell

— Surveyed Hz well

⊕ Hz Surface

— As Drilled Hz WIW

□ Intermediate Casing

— Surveyed Hz WIW

○ Top in Hz wellbore

— Unit 7 Boundary

∅ Injector

— Unit 1 Boundary

○ Location

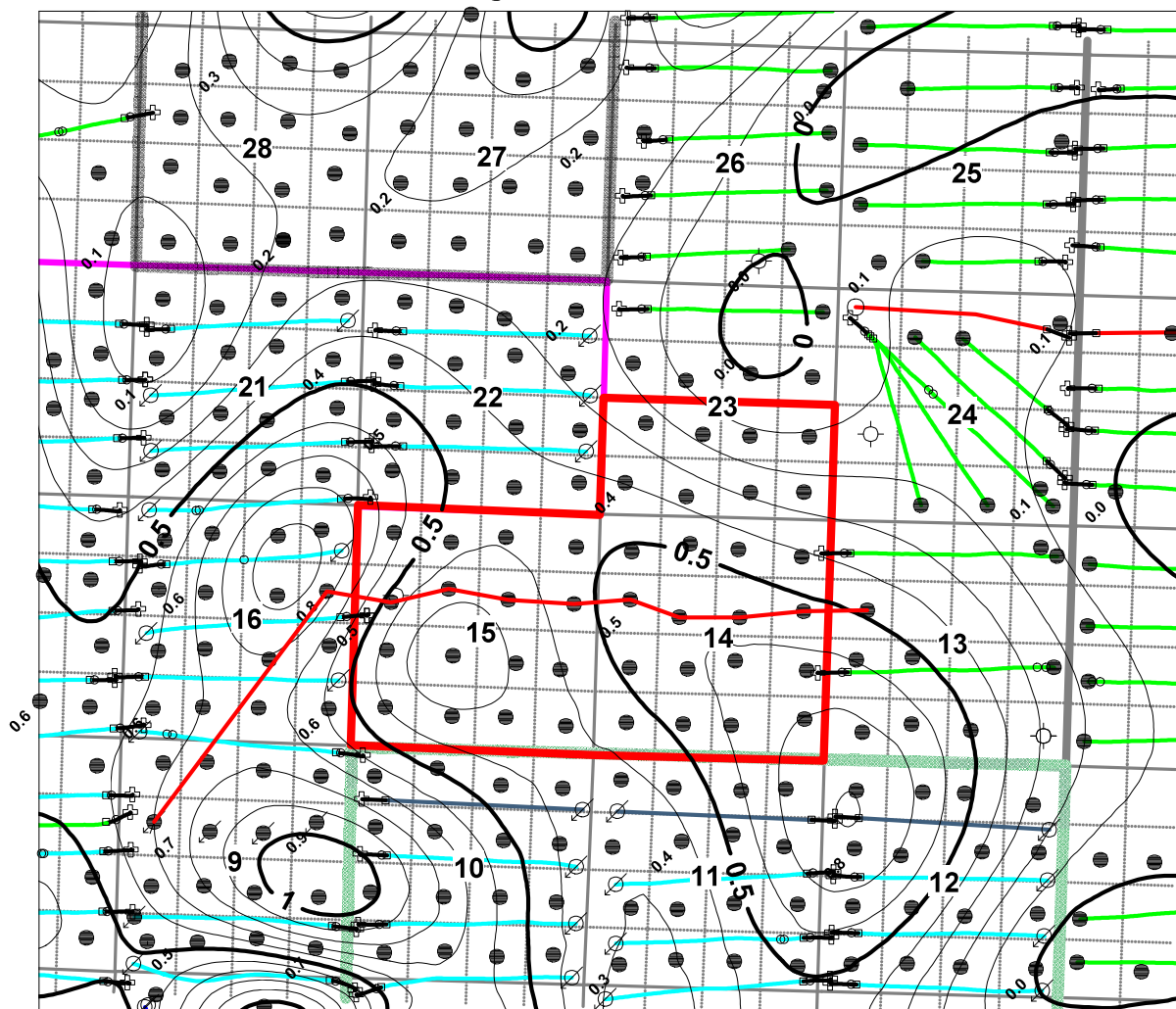
— Unit 3 Boundary

— Unit 6 Boundary

**Proposed Sinclair Unit 7
Middle Bakken Phi-h
Appendix 13**

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Rge 29W1M



Twp 8

CI = 0.1 por-m

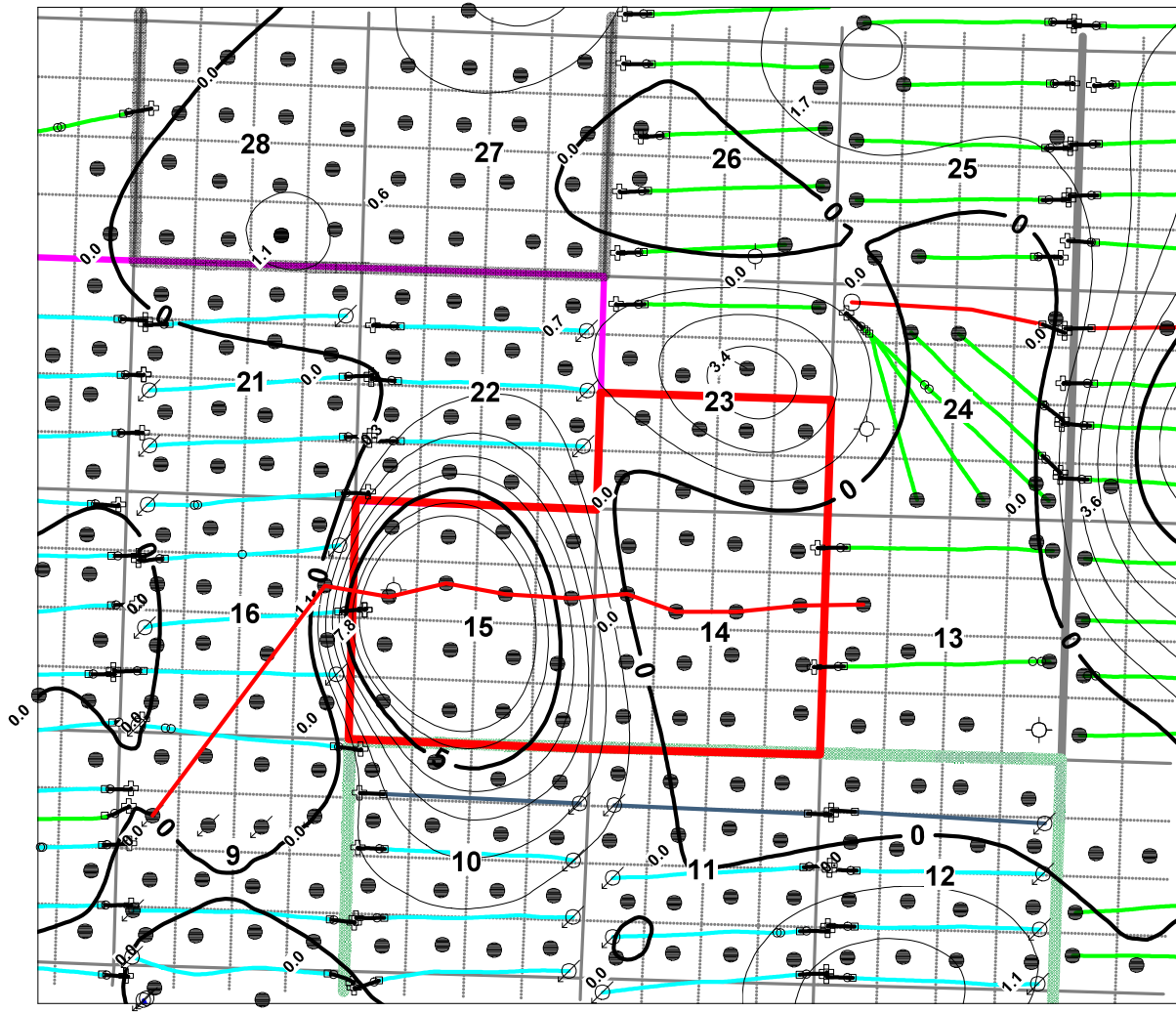
0 1000 2000 3000

**Proposed Sinclair Unit 7
Lyleton A phi-h
Appendix 15**

- | | | |
|-------------------------|--|----------------------|
| — Line of Cross section | ● Oilwell (including producing Hz wells) | — As Drilled Hz well |
| ✦ Abnd Oilwell | ✦ Hz Surface | — Surveyed Hz well |
| ⊕ Intermediate Casing | ○ Top in Hz wellbore | — As Drilled Hz WIW |
| ○ Injector | ○ Location | — Surveyed Hz WIW |
| | | — Unit 7 Boundary |
| | | — Unit 1 Boundary |
| | | — Unit 3 Boundary |
| | | — Unit 6 Boundary |

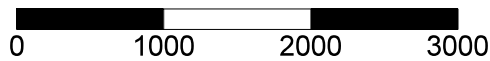
Barry W. Larson
July 11, 2011

Rge 29W1M



Twp 8

Cl = 1 md-m



— Line of Cross section

- Oilwell (including producing Hz wells)
- ✦ Abnd Oilwell
- ⊕ Hz Surface
- Intermediate Casing
- Top in Hz wellbore
- ∅ Injector
- Location

- As Drilled Hz well
- Surveyed Hz well
- As Drilled Hz WIW
- Surveyed Hz WIW
- Unit 7 Boundary
- Unit 1 Boundary
- Unit 3 Boundary
- Unit 6 Boundary

Proposed Sinclair Unit 7
Lyleton B k-h
Appendix 16

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 July 11, 2011

Appendix 18

Proposed Sinclair Unit No. 7

LYLETON / THREE FORKS FORMATION ROCK & FLUID PARAMETERS

Formation Pressure	9500 kPa	Initial Average Reservoir Pressure
Formation Temperature	30°C	
Saturation Pressure	2,034 Kpa	Bubble Point
GOR	6 - 10 m3/m3	Gas Oil Ratio
API Oil Gravity	40	
Swi (fraction)	0.40	Initial Water Saturation
Produced Water Specific Gravity	1.08	
Produced Water pH	7.1 - 7.3	
Produced Water TDS	125,000	
Wettability	Moderately oil-wet	
Average Air Permeability*	Middle Bakken Lyleton A Lyleton B	Wt. Average Core Data
	1.14 mD 3.35 mD 3.70 mD	
Average Porosity (fraction)*	Middle Bakken Lyleton A Lyleton B	Wt. Average Core Data
	0.160 0.162 0.160	

* Wt ave from all MBKKN/Lyleton cores in Sections 14, 15 and S23-8-28W1M.

EXHIBIT 'A': TRACT PARTICIPATION

Appendix 19

Proposed SINCLAIR UNIT NO. 7

Attached to and made part of an Agreement Entitled
Sinclair Unit No. 7 Unit Agreement

Working Interest				Royalty Interest		Tract Participation %
Tract No.	Land Description	Owner	Share (%)	Owner	Share (%)	
1	LSD 1-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.887395444
2	LSD 2-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.763496602
3	LSD 3-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.322328021
4	LSD 4-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.567975593
5	LSD 5-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.136959785
6	LSD 6-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.649749678
	LSD 7-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.733408209
8	LSD 8-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.288493999
9	LSD 9-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	1.107747462
10	LSD 10-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	1.816313082
11	LSD 11-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	2.180054008
12	LSD 12-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	3.156993567
13	LSD 13-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	3.495329087
14	LSD 14-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	1.575974005
15	LSD 15-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	1.317502051
16	LSD 16-14-8-29 WPM	Tundra Oil Gas Partnership	100	HER MAJESTY THE GOVERNOR OF THE PROVINCE OF MANITOBA	100	1.246595221
17	LSD 1-15-8-29 WPM	Tundra Oil Gas Partnership	100	5050405 Manitoba Ltd.	100	2.475286049
18	LSD 2-15-8-29 WPM	Tundra Oil Gas Partnership	100	5050405 Manitoba Ltd.	100	3.300165729
19	LSD 3-15-8-29 WPM	Tundra Oil Gas Partnership	100	FAIRVIEW Resources Ltd.	50	3.579186177
				4996420 Manitoba Ltd.	25	
				4996438 Manitoba Ltd.	25	
20	LSD 4-15-8-29 WPM	Tundra Oil Gas Partnership	100	FAIRVIEW Resources Ltd.	49.00024	3.609455607
				4996420 Manitoba Ltd.	24.850012	
				4996438 Manitoba Ltd.	24.850012	
				Norman M. Isaac	0.599952	

Working Interest				Royalty Interest		Tract Participation %
Tract No.	Land Description	Owner	Share (%)	Owner	Share (%)	
21	LSD 5-15-8-29 WPM	Tundra Oil Gas Partnership	100	FA J Reources Ltd.	44.3031902	3.250855079
				4996420 Manitoba Ltd.	22.1515951	
				4996438 Manitoba Ltd.	22.1515951	
				aomi M. saac	11.3936196	
22	LSD 6-15-8-29 WPM	Tundra Oil Gas Partnership	100	FA J Reources Ltd.	50	2.904492242
				4996420 Manitoba Ltd.	25	
				4996438 Manitoba Ltd.	25	
23	LSD -15-8-29 WPM	Tundra Oil Gas Partnership	100	5050405 Manitoba Ltd.	100	3.239872245
24	LSD 8-15-8-29 WPM	Tundra Oil Gas Partnership	100	5050405 Manitoba Ltd.	100	2.458918488
25	LSD 9-15-8-29 WPM	Tundra Oil Gas Partnership	100	Lindsay Lee Reid	50	2.302176459
				Bralex Resources Ltd.	50	
26	LSD 10-15-8-29 WPM	Tundra Oil Gas Partnership	100	Lindsay Lee Reid	50	2.634722400
				Bralex Resources Ltd.	50	
2	LSD 11-15-8-29 WPM	Tundra Oil Gas Partnership	100	FA J Reources Ltd.	50	3.137463399
				4996420 Manitoba Ltd.	25	
				4996438 Manitoba Ltd.	25	
28	LSD 12-15-8-29 WPM	Tundra Oil Gas Partnership	100	FA J Reources Ltd.	50	3.323919667
				4996420 Manitoba Ltd.	25	
				4996438 Manitoba Ltd.	25	
29	LSD 13-15-8-29 WPM	Tundra Oil Gas Partnership	100	FA J Reources Ltd.	50	3.061986143
				4996420 Manitoba Ltd.	25	
				4996438 Manitoba Ltd.	25	
30	LSD 14-15-8-29 WPM	Tundra Oil Gas Partnership	100	FA J Reources Ltd.	50	3.314301593
				4996420 Manitoba Ltd.	25	
				4996438 Manitoba Ltd.	25	
31	LSD 15-15-8-29 WPM	Tundra Oil Gas Partnership	94	Lindsay Lee Reid	50	2.643823127
		Eymann nvestments Corp	6	Bralex Resources Ltd.	50	
32	LSD 16-15-8-29 WPM	Tundra Oil Gas Partnership	94	Lindsay Lee Reid	50	1.698923737
		Eymann nvestments Corp	6	Bralex Resources Ltd.	50	
33	LSD 1-23-8-29 WPM	Tundra Oil Gas Partnership	100	5250596 Manitoba Ltd.	50	1.389266863
				Lynkato Oil ncorporated	16.66666	
				Brenda Lynn Wohlgemuth	16.6666	
				Dennis Lee Wohlgemuth	16.6666	
34	LSD 2-23-8-29 WPM	Tundra Oil Gas Partnership	100	5250596 Manitoba Ltd.	50	1.407018841
				Lynkato Oil ncorporated	16.66666	
				Brenda Lynn Wohlgemuth	16.6666	
				Dennis Lee Wohlgemuth	16.6666	
35	LSD 3-23-8-29 WPM	Tundra Oil Gas Partnership	100	Petrobakken Energy Ltd.	100	3.023397308
36	LSD 4-23-8-29 WPM	Tundra Oil Gas Partnership	100	Petrobakken Energy Ltd.	100	3.262098959
3	LSD 5-23-8-29 WPM	Tundra Oil Gas Partnership	100	Petrobakken Energy Ltd.	100	2.239515070
38	LSD 6-23-8-29 WPM	Tundra Oil Gas Partnership	100	Petrobakken Energy Ltd.	100	2.602199714
39	LSD -23-8-29 WPM	Tundra Oil Gas Partnership	100	5250596 Manitoba Ltd.	50	1.529434571
				Lynkato Oil ncorporated	16.66666	
				Brenda Lynn Wohlgemuth	16.6666	
				Dennis Lee Wohlgemuth	16.6666	
40	LSD 8-23-8-29 WPM	Tundra Oil Gas Partnership	100	5250596 Manitoba Ltd.	50	1.365204718
				Lynkato Oil ncorporated	16.66666	
				Brenda Lynn Wohlgemuth	16.6666	
				Dennis Lee Wohlgemuth	16.6666	

Working Interest

100.000000000%

100.000000000

Tundra Oil & Gas Partnership
Eymann Investments Corp

WI =
WI =

99.739435188%
0.260564812%

Total

100.000000000