

**WASKADA UNIT NO. 12
WATERFLOOD EOR PROJECT**

ANNUAL WATERFLOOD PROGRESS REPORT FOR 2015

June 30, 2016

Tundra Oil and Gas Partnership

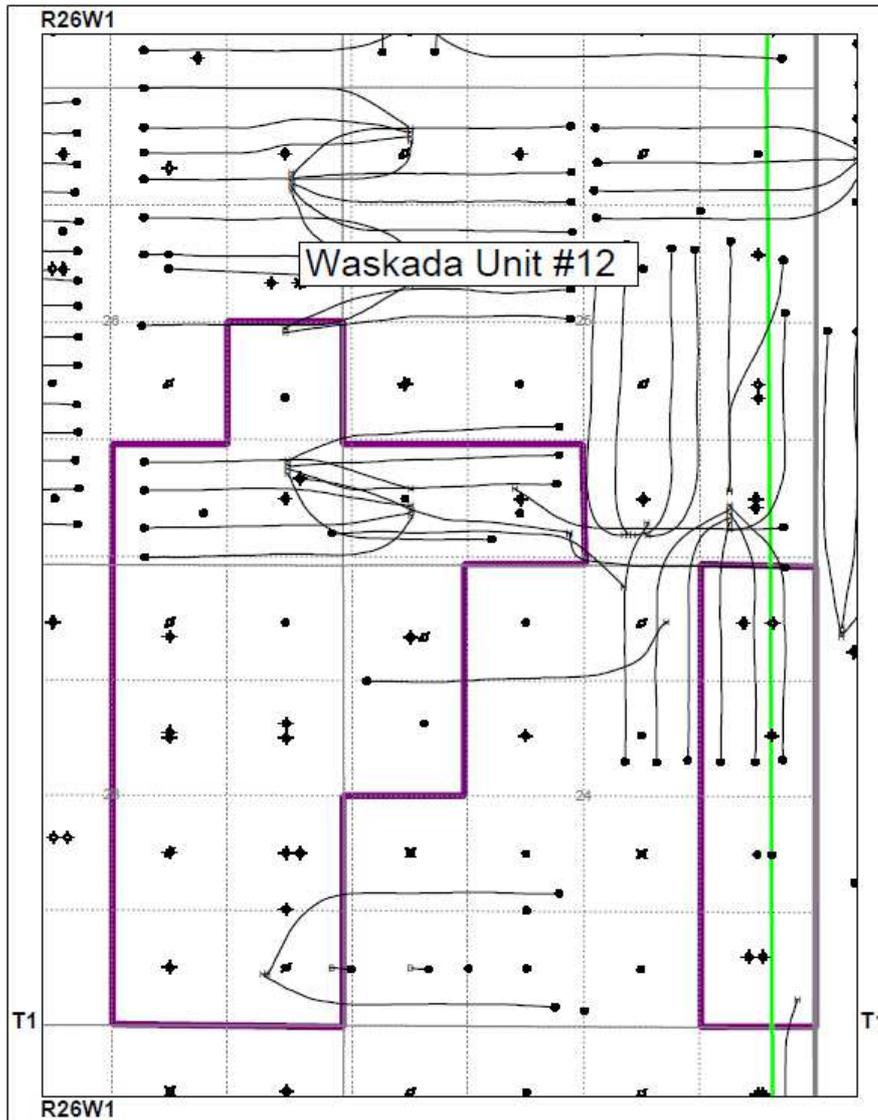
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INTRODUCTION

Waskada Unit No. 12 Enhanced Oil Recovery (EOR) Waterflood Project was approved under Board Order No. PM 48 effective April 1986. The Unit area contains 13 abandoned/suspended wells, including 3 abandoned injectors, and 5 producing/inactive wells in 19 LSDs in Township 1, Range 26 W1 as shown in the figure below.

Figure 1: Waskada Unit 12 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. 12.

DISCUSSION

Production History

For the wells included in Waskada Unit No. 12, production started in February 1981 with the 00/01-24-001-26W1/0 Vertical well. Average oil production peaked for the first time at 3.1 m³/d per well in July 1982. This production was coming from 8 wells and totaled 25.1 m³/d for the whole Unit. No production was reported at the end of December 2015 for the Unit. Water injection commenced in Waskada Unit No. 12 in April 1986 until end of March 1993. 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 12 Production/Injection Rates and WOR vs Time

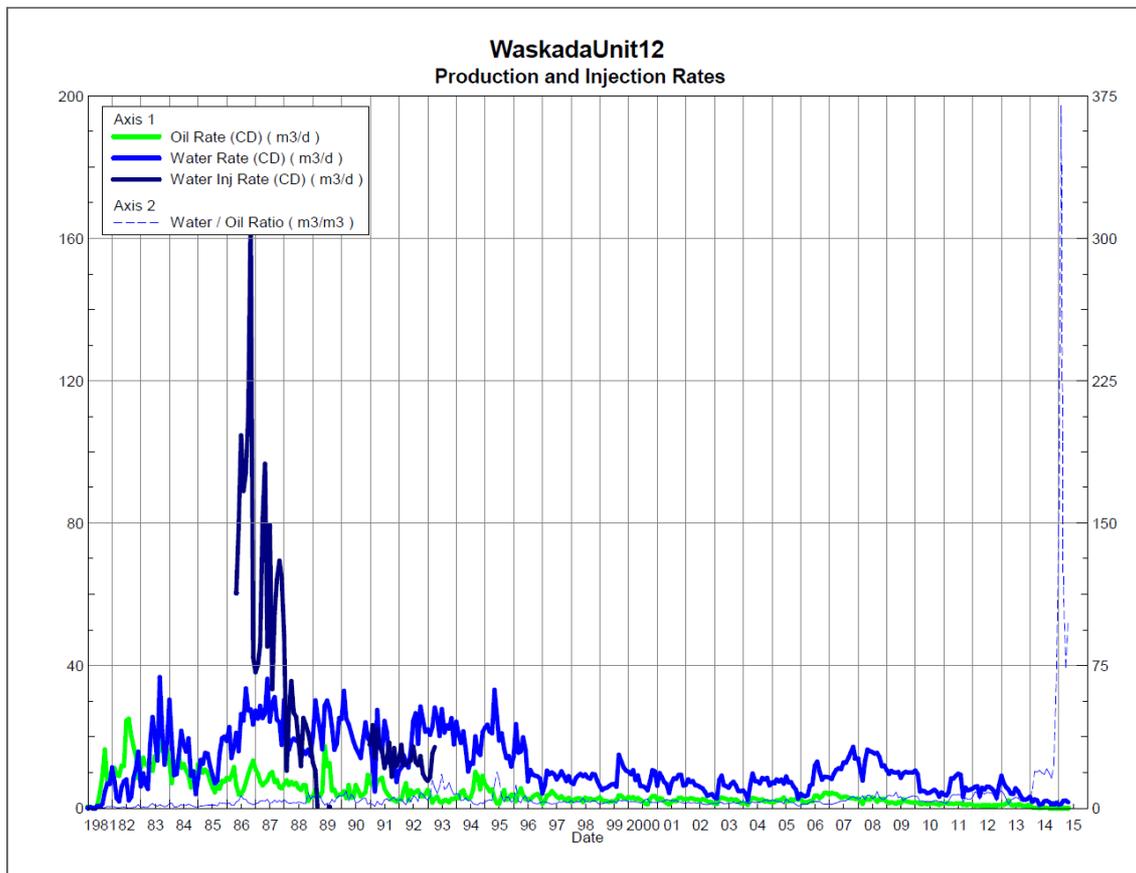
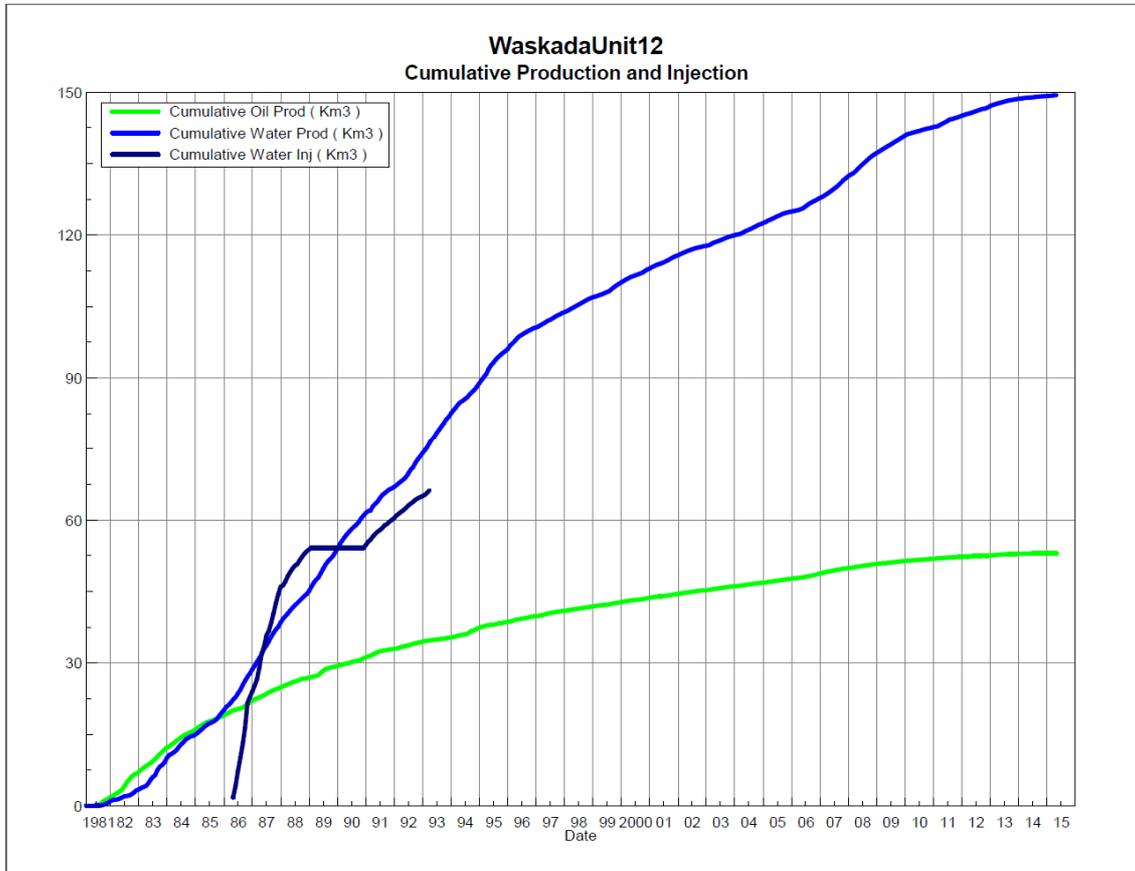


Figure 3 shows the cumulative production for Waskada Unit No. 12 to the end of December 2015 as 52.9 e³m³ of oil, and 149.4 e³m³ of water.

Figure 3: Waskada Unit 12 Cumulative Oil, Water and Water Injected vs Time



Waterflood EOR Operating Strategy and Performance

Corrosion and Scale Prevention

The facilities in Unit 12 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. 12.

Waterflood Performance Discussion

From January 1 to December 31 in 2015, Waskada Unit No. 12 produced 0.212 e3m³ of fluid (0.0.002 e3m³ of Oil, 0.210 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 vertical wells being produced and no pressure support occurring in the Unit, the cumulative VRR has dropped in the last 12 years, down to 0.320.

Table 2 summarizes the yearly and cumulative VRR for Waskada Unit No. 12.

Figure 4: Waskada Unit 12 Production and Injection Rate

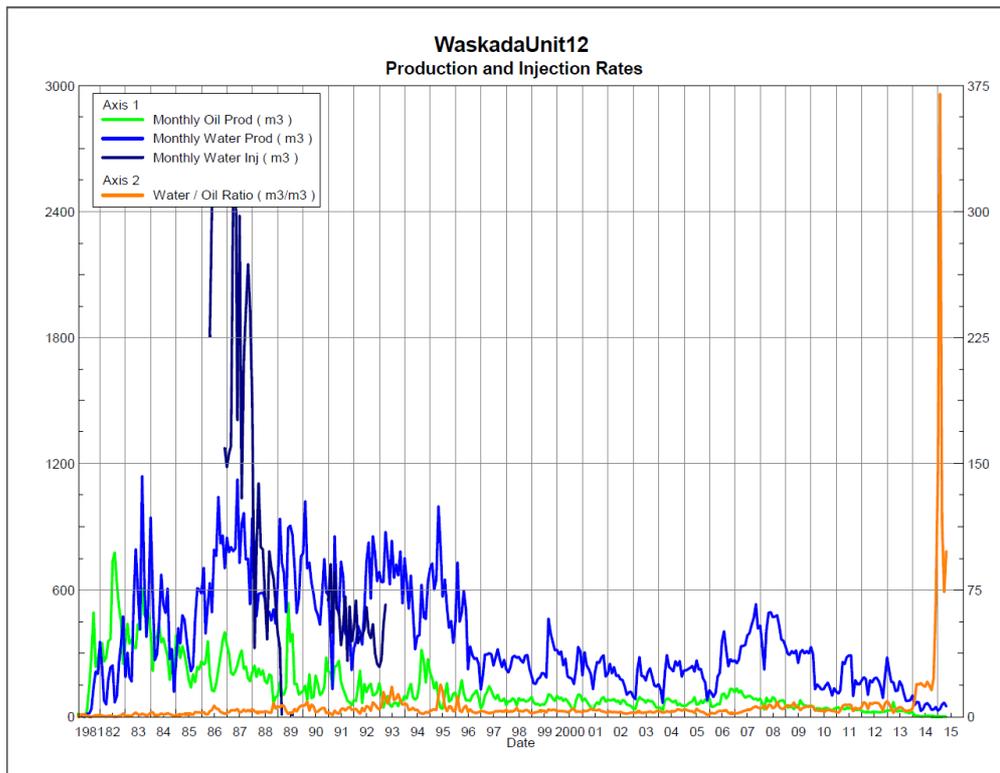


TABLE NO. 1: WASKADA UNIT NO. 12 WELL SUMMARY

UWI	Type	Status	On Prod Date	Cum Prd Oil (m3)	Cum Prd Water (m3)	Last Prod Date	Cum Inj Water (m3)	Last Inj Date
100/01-23-001-26W1/2	Vertical	Suspended	5/12/1989	403.9	506.8	6/30/2002	0	
100/07-23-001-26W1/0	Vertical	Abandoned	12/25/1982	222.5	2485.8	11/30/1983	0	
100/08-23-001-26W1/0	Vertical	Abandoned	12/9/1982	5623	44452.3	6/30/1996	0	
1A0/08-23-001-26W1/2	Vertical	Abandoned	7/8/1992	16.1	78.2	10/31/1992	0	
102/09-23-001-26W1/0	Vertical	Abandoned	4/4/1984	115.4	1485	9/30/1984	20420.6	3/31/1993
100/10-23-001-26W1/0	Vertical	Abandoned	1/5/1983	2608.3	3424.3	10/31/1993	0	
102/15-23-001-26W1/0	Vertical	Abandoned	8/4/1983	312.7	2526.9	8/31/1990	21000.2	3/31/1988
100/01-24-001-26W1/0	Vertical	Abandoned	2/13/1981	3802.2	473.6	3/31/1986	24827.8	11/30/1988
100/08-24-001-26W1/0	Vertical	Producing	11/17/1981	11065.8	27303	4/30/2015	0	
100/09-24-001-26W1/0	Vertical	Abandoned Zone	2/5/1982	839.2	464.9	12/31/1991	0	
100/12-24-001-26W1/0	Vertical	Comingled	11/25/1981	2844.9	6474.7	1/31/2014	0	
100/13-24-001-26W1/0	Vertical	Abandoned	12/2/1981	2924.6	12238.1	7/31/1990	0	
100/03-25-001-26W1/0	Vertical	Abandoned	7/25/1981	1690.1	1035	12/31/1982	0	
102/03-25-001-26W1/0	Vertical	Pumping	1/1/1983	11102	23618.8	8/31/2013	0	
100/04-25-001-26W1/0	Vertical	Comingled	9/21/1981	1985.6	4678.8	2/28/2013	0	
100/01-26-001-26W1/0	Vertical	Abandoned Zone	10/13/1981	292.8	1340.8	10/31/1990	0	
102/01-26-001-26W1/0	Horizontal	Abandoned	7/27/1994	6784.1	16287.7	1/31/2010	0	
100/02-26-001-26W1/2	Vertical	Comingled	6/21/1989	317.9	493.7	8/31/1991	0	
				52951.1	149368.4		66248.6	

TABLE NO. 2 - VRR Calculations

Date	Mth Oil Prod m3	Cum Oil Prod m3	Mth Water Prod m3	Cum Water Prod m3	Water Oil Ratio m3/m3	Mth Water Inj m3	Cum Water Inj m3	VRR	Cum VRR
12/31/1982	5337	7154.300	2460	3452.800	0.46		0.000	0.000	0.000
12/31/1983	5126	12279.900	6662	10114.900	1.30		0.000	0.000	0.000
12/31/1984	3811	16091.300	4872	14986.700	1.28		0.000	0.000	0.000
12/31/1985	2901	18992.700	5065	20051.500	1.75		0.000	0.000	0.000
12/31/1986	3067	22059.500	8584	28635.500	2.80	24010	24010.100	1.983	0.472
12/31/1987	2789	24848.600	9856	38491.900	3.53	21950	45959.800	1.680	0.718
12/31/1988	2055	26903.100	6597	45088.400	3.21	7842	53801.900	0.875	0.738
12/31/1989	2454	29357.400	8797	53885.100	3.58	346	54148.000	0.030	0.640
12/31/1990	1807	31164.700	7577	61462.200	4.19	554	54702.300	0.057	0.581
12/31/1991	1772	32936.200	5500	66962.100	3.10	5719	60421.100	0.759	0.594
12/31/1992	1552	34488.300	7107	74068.900	4.58	4596	65016.600	0.517	0.588
12/31/1993	869	35356.800	8489	82558.000	9.77	1232	66248.600	0.130	0.551
12/31/1994	2016	37372.700	6304	88861.700	3.13		66248.600	0.000	0.515
12/31/1995	1279	38651.700	7184	96045.600	5.62		66248.600	0.000	0.482
12/31/1996	1162	39814.100	4552	100597.300	3.92		66248.600	0.000	0.462
12/31/1997	1125	40939.300	3227	103824.500	2.87		66248.600	0.000	0.448
12/31/1998	937	41876.700	3105	106929.000	3.31		66248.600	0.000	0.436
12/31/1999	897	42773.800	3119	110048.100	3.48		66248.600	0.000	0.424
12/31/2000	899	43672.600	2896	112943.600	3.22		66248.600	0.000	0.414
12/31/2001	809	44481.600	2798	115741.600	3.46		66248.600	0.000	0.404
12/31/2002	802	45283.700	2010	117751.600	2.51		66248.600	0.000	0.397
12/31/2003	807	46090.600	2222	119973.300	2.75		66248.600	0.000	0.390
12/31/2004	757	46847.800	2548	122521.700	3.37		66248.600	0.000	0.382
12/31/2005	846	47693.300	2399	124920.200	2.84		66248.600	0.000	0.375
12/31/2006	1052	48745.400	2836	127755.700	2.70		66248.600	0.000	0.367
12/31/2007	1186	49930.900	4600	132356.000	3.88		66248.600	0.000	0.355
12/31/2008	848	50778.700	4867	137222.800	5.74		66248.600	0.000	0.344
12/31/2009	615	51393.300	3633	140855.300	5.91		66248.600	0.000	0.337
12/31/2010	464	51857.500	1777	142632.500	3.83		66248.600	0.000	0.333
12/31/2011	433	52290.500	2362	144994.500	5.45		66248.600	0.000	0.328
12/31/2012	276	52566.700	2045	147039.500	7.40		66248.600	0.000	0.324
12/31/2013	353	52919.300	1542	148581.000	4.37		66248.600	0.000	0.321
12/31/2014	30	52949.100	577	149157.700	19.35		66248.600	0.000	0.320
12/31/2015	2	52951.100	211	149368.400	105.35		66248.600	0.000	0.320

TABLE NO. 3

**Tundra Oil and Gas
Waskada Unit No. 12
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. 12 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. 12 Total:				
	1982	0	0	0.00
	1983	0	0	0.00
	1984	0	0	0.00
	1985	0	0	0.00
	1986	0	87.2	2,667.79
	1987	0	60.2	1,829.14
	1988	0	21.5	653.51
	1989	0	3.7	115.37
	1990	0	17.9	554.30
	1991	0	15.6	476.57
	1992	0	12.6	382.96
	1993	0	13.7	410.67
	1994	0	0.0	0.00
	1995	0	0.0	0.00
	1996	0	0.0	0.00
	1997	0	0.0	0.00
	1998	0	0.0	0.00
	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:				7,090.31

TABLE NO. 4

**Tundra Oil and Gas
Waskada Unit No. 12
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	744	0.00	0	1.19	37	370	1
Feb-15	672	0.02	1	2.08	58	116	1
Mar-15	744	0.03	1	2.15	67	74	1
Apr-15	602	0.02	1	1.63	49	98	1
May-15	0	0.00	0	0.00	0	0	0
Jun-15	0	0.00	0	0.00	0	0	0
Jul-15	0	0.00	0	0.00	0	0	0
Aug-15	0	0.00	0	0.00	0	0	0
Sep-15	0	0.00	0	0.00	0	0	0
Oct-15	0	0.00	0	0.00	0	0	0
Nov-15	0	0.00	0	0.00	0	0	0
Dec-15	0	0.00	0	0.00	0	0	0
	2,762		2		211		

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	49824	14.59	445	6.74	205	0.55	6
31/12/1983	57384	14.04	427	18.17	555	1.30	7
31/12/1984	46848	10.42	318	13.27	406	1.34	5
31/12/1985	41184	7.96	242	13.88	422	1.80	5
31/12/1986	41424	8.41	256	23.45	715	3.22	5
31/12/1987	38640	7.64	232	26.98	821	3.61	4
31/12/1988	33840	5.62	171	18.00	550	3.69	4
31/12/1989	60408	6.70	205	24.09	733	4.58	7
31/12/1990	76368	4.94	151	20.78	631	4.83	9
31/12/1991	39720	4.85	148	14.99	458	3.57	5
31/12/1992	36696	4.24	129	19.41	592	4.95	4
31/12/1993	33504	2.37	72	23.25	707	10.56	4
31/12/1994	30696	5.52	168	17.27	525	3.67	4
31/12/1995	31392	3.50	107	19.70	599	7.25	4
31/12/1996	29424	3.18	97	12.44	379	4.29	3
31/12/1997	29544	3.09	94	8.86	269	3.00	4
31/12/1998	32256	2.57	78	8.51	259	3.39	4
31/12/1999	28032	2.46	75	8.53	260	3.40	3
31/12/2000	30408	2.46	75	7.93	241	3.36	3
31/12/2001	32376	2.22	67	7.67	233	3.58	4
31/12/2002	31200	2.20	67	5.52	168	2.48	4
31/12/2003	31488	2.21	67	6.10	185	2.78	4
31/12/2004	30864	2.07	63	6.95	212	3.38	4
31/12/2005	31032	2.32	70	6.58	200	2.97	4
31/12/2006	29716	2.88	88	7.74	236	2.71	4
31/12/2007	42,849	3.25	99	12.59	383	4.08	5
31/12/2008	41,519	2.31	71	13.28	406	5.89	5
31/12/2009	42,295	1.68	51	9.95	303	6.10	5
31/12/2010	33,200	1.27	39	4.86	148	3.78	4
31/12/2011	29,067	1.19	36	6.46	197	5.41	3
31/12/2012	24,360	0.76	23	5.59	170	7.37	3
31/12/2013	23,395	0.97	29	4.23	128	4.57	3
31/12/2014	8,124	0.08	2	1.59	48	32.83	1
31/12/2015	2,762	0.02	1	1.76	53	164.57	1
	1,201,839		4,262		12,400		