2015

TORC OIL & GAS LTD.

WASKADA UNIT NO. 15

ENHANCED OIL RECOVERY (EOR) ANNUAL REPORT

Discussion:

Waterflood injection on Waskada Unit #15 was fully suspended in late 2013 due to premature water breakthrough in offsetting producers.

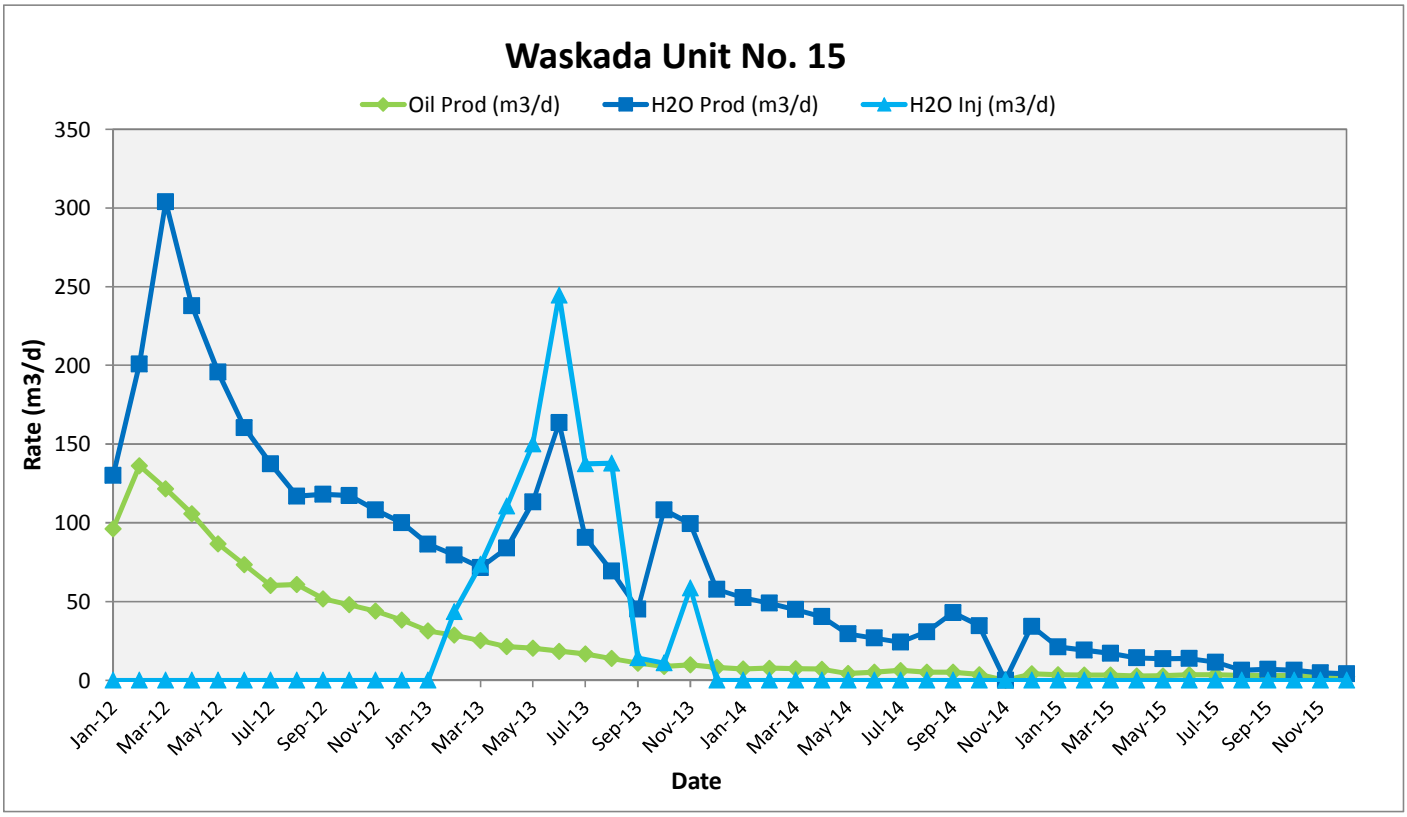
There were no sustained water volumes injected in Waskada Unit #15 in 2015 with injection being limited to recycling off of tanks when water accumulated. Production is predomominantly trucked to an adjacent TORC battery.

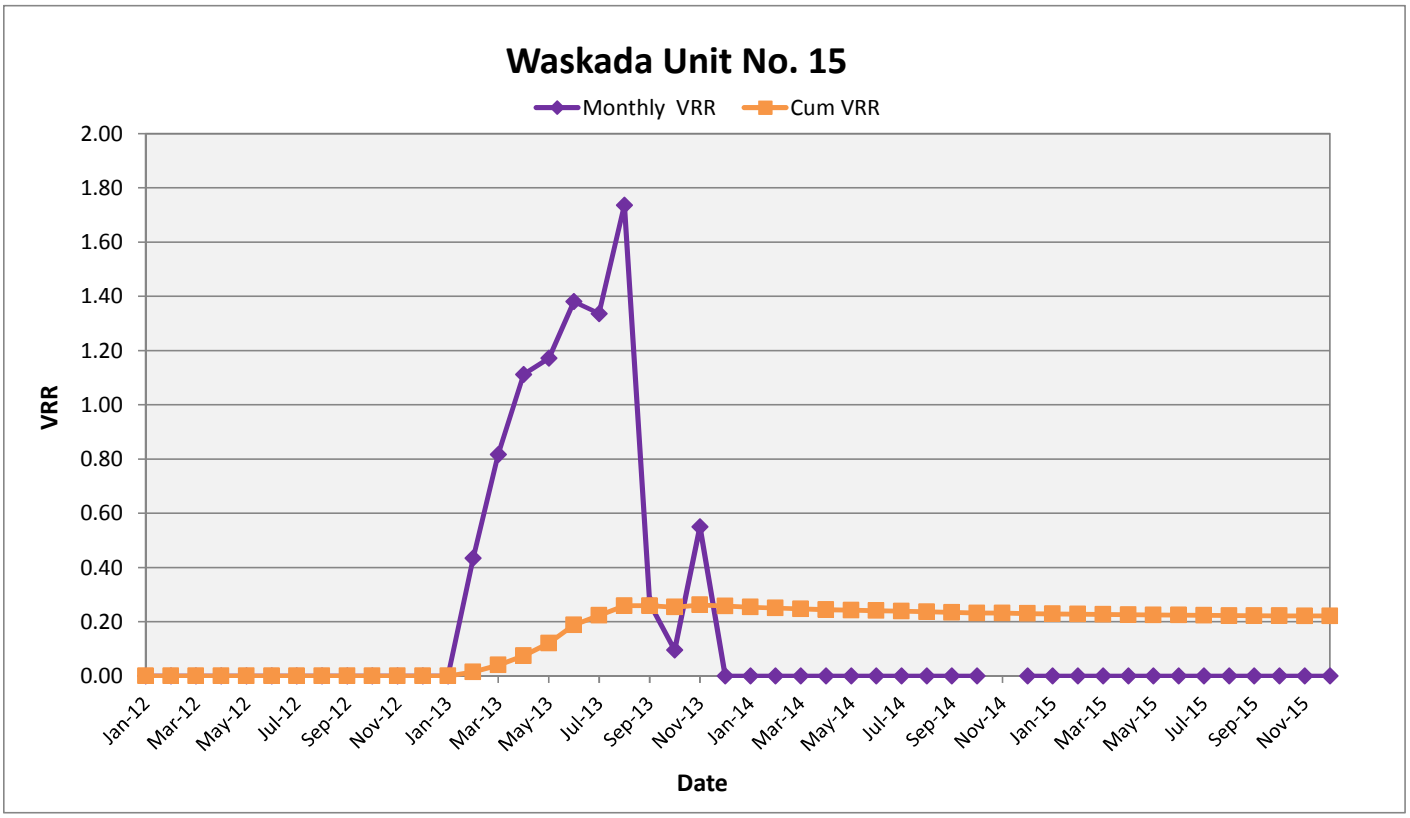
In 2016, plans is to suspend the majority of the remaining production wells in Waskada Unit #15 due to high operating costs / weak economics. In conjunction with the suspensions, the production facility including water injection plant will be taken offline and surplused.

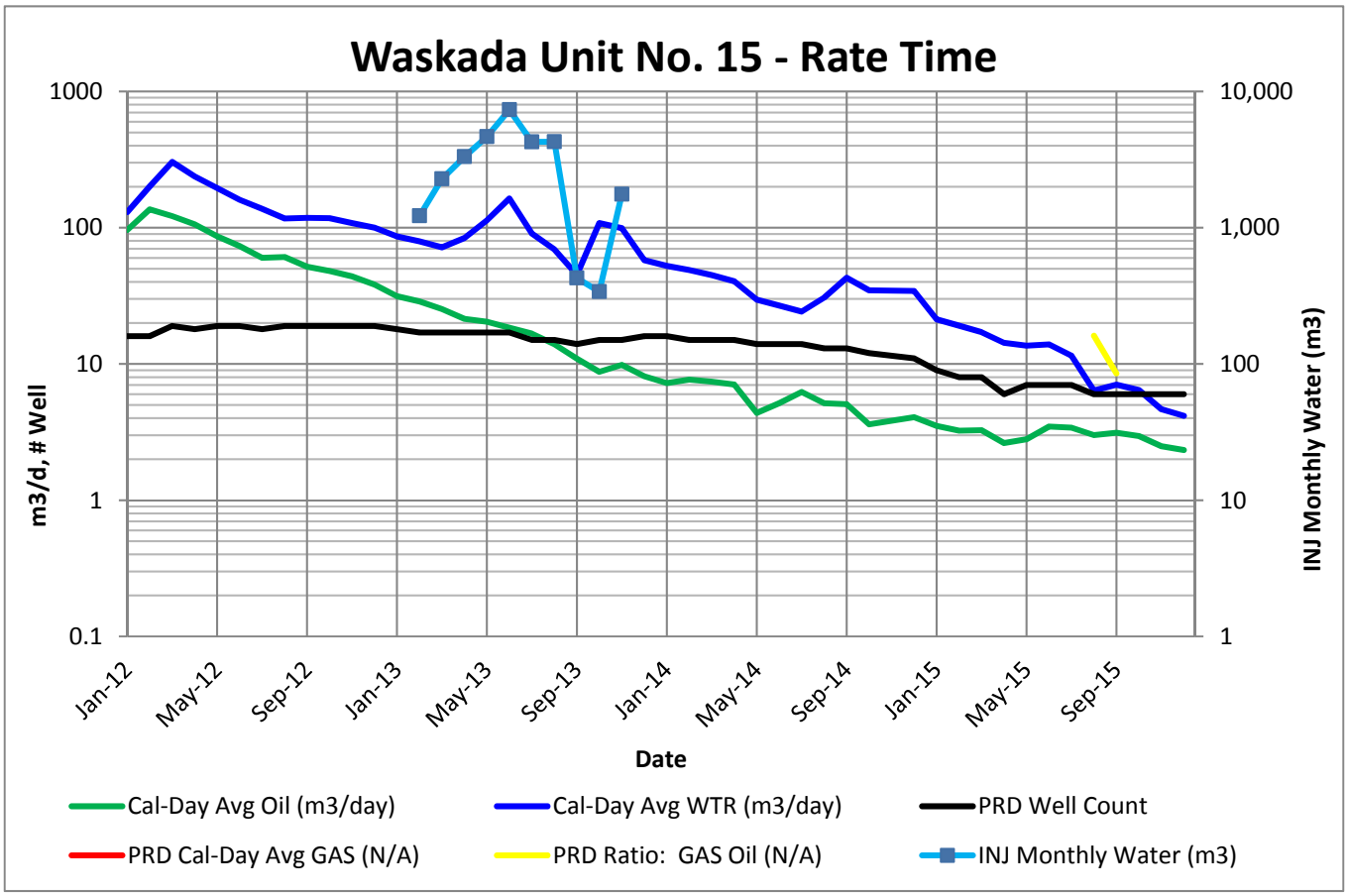
Waskada Unit No. 15 - VRR Table

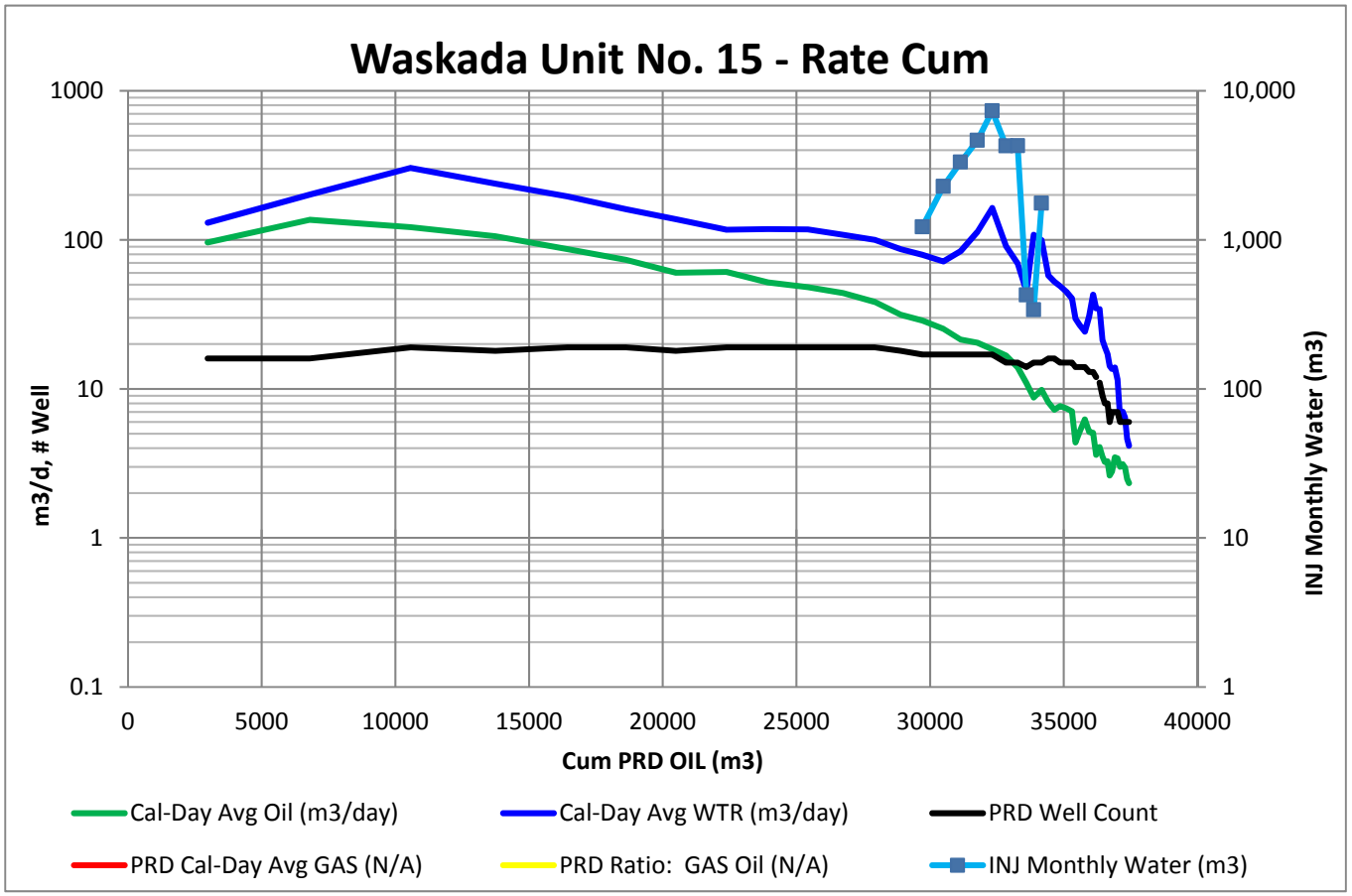
Month	Days	Monthly Oil Prod (bbl)	Monthly Oil Prod (m3)	Monthly Gas Prod (E3m3)	Monthly H2O Prod (bbl)	Monthly H2O Prod (m3)	Monthly H2O Inj (bbl)	Monthly H2O Inj (m3)	Oil Prod (m3/d)	Gas Prod (E3m3/d)	H2O Prod (m3/d)	H2O Inj (m3/d)	Cum Oil (bbl)	Cum Oil (m3)	Cum Gas (E3m3)	Cum H2O (m3)	Cum H2O Inj (m3)	Prod Well Count	GOR (m3/m3)	H2OCut %	Voidage (rm3/d)	Monthly VRR	Cum GOR (m3/m3)	H2OCut %	Cum Void (rm3)	Cum VRR
Jan-12	31	18,748	2,980.7	0	25,385	4,035.7	0	0	96	0	130	0	18,748	2981	0	4036	0	16	0	57.5%	201	0.00	0.0	57.5%	6232.1	**0.000**
Feb-12	28	24,015	3,817.9	0	35,386	5,625.8	0	0	136	0	201	0	42,763	6799	0	9662	0	16	0	59.6%	301	0.00	0.0	58.7%	14673.6	**0.000**
Mar-12	31	23,730	3,772.7	0	59,267	9,422.4	0	0	122	0	304	0	66,494	10571	0	19084	0	19	0	71.4%	394	0.00	0.0	64.4%	26898.0	**0.000**
Apr-12	30	19,962	3,173.5	0	44,900	7,138.3	0	0	106	0	238	0	86,455	13745	0	26222	0	18	0	69.2%	316	0.00	0.0	65.6%	36389.2	**0.000**
May-12	31	16,898	2,686.5	0	38,162	6,067.2	0	0	87	0	196	0	103,353	16431	0	32289	0	19	0	69.3%	260	0.00	0.0	66.3%	44448.4	**0.000**
Jun-12	30	13,841	2,200.4	0	30,267	4,811.9	0	0	73	0	160	0	117,194	18632	0	37101	0	19	0	68.6%	215	0.00	0.0	66.6%	50891.1	**0.000**
Jul-12	31	11,731	1,865.0	0	26,808	4,262.0	0	0	60	0	137	0	128,925	20497	0	41363	0	18	0	69.6%	182	0.00	0.0	66.9%	56536.2	**0.000**
Aug-12	31	11,868	1,886.9	0	22,819	3,627.9	0	0	61	0	117	0	140,793	22384	0	44991	0	19	0	65.8%	162	0.00	0.0	66.8%	61560.0	**0.000**
Sep-12	30	9,772	1,553.6	0	22,282	3,542.5	0	0	52	0	118	0	150,565	23937	0	48534	0	19	0	69.5%	156	0.00	0.0	67.0%	66254.6	**0.000**
Oct-12	31	9,379	1,491.1	0	22,900	3,640.8	0	0	48	0	117	0	159,944	25428	0	52174	0	19	0	70.9%	153	0.00	0.0	67.2%	71002.4	**0.000**
Nov-12	30	8,289	1,317.8	0	20,415	3,245.7	0	0	44	0	108	0	168,233	26746	0	55420	0	19	0	71.1%	141	0.00	0.0	67.4%	75226.6	**0.000**
Dec-12	31	7,464	1,186.6	0	19,505	3,100.9	0	0	38	0	100	0	175,697	27933	0	58521	0	19	0	72.3%	128	0.00	0.0	67.7%	79209.5	**0.000**
Jan-13	31	6,125	973.8	0	16,855	2,679.6	0	0	31	0	86	0	181,822	28907	0	61201	0	18	0	73.3%	110	0.00	0.0	67.9%	82613.7	**0.000**
Feb-13	28	5,066	805.5	0	13,993	2,224.6	7,684	1,222	29	0	79	44	186,889	29712	0	63425	1222	17	0	73.4%	101	0.43	0.0	68.1%	85437.6	**0.014**
Mar-13	31	4,940	785.4	0	13,975	2,221.8	14,355	2,282	25	0	72	74	191,829	30497	0	65647	3504	17	0	73.9%	91	0.82	0.0	68.3%	88244.1	**0.040**
Apr-13	30	4,039	642.2	0	15,845	2,519.0	20,880	3,320	21	0	84	111	195,868	31140	0	68166	6823	17	0	79.7%	100	1.11	0.0	68.6%	91244.7	**0.075**
May-13	31	3,976	632.2	0	22,090	3,512.0	29,262	4,652	20	0	113	150	199,845	31772	0	71678	11475	17	0	84.7%	129	1.17	0.0	69.3%	95236.1	**0.121**
Jun-13	30	3,483	553.8	0	30,898	4,912.2	46,152	7,337	18	0	164	245	203,328	32326	0	76590	18813	17	0	89.9%	178	1.38	0.0	70.3%	100577.6	**0.188**
Jul-13	31	3,257	517.8	0	17,687	2,811.9	26,795	4,260	17	0	91	137	206,585	32843	0	79402	23073	15	0	84.4%	103	1.34	0.0	70.7%	103781.9	**0.223**
Aug-13	31	2,720	432.4	0	13,518	2,149.2	26,889	4,275	14	0	69	138	209,305	33276	0	81551	27348	15	0	83.3%	80	1.74	0.0	71.0%	106257.6	**0.259**
Sep-13	30	2,064	328.1	0	8,528	1,355.8	2,684	427	11	0	45	14	211,369	33604	0	82907	27774	14	0	80.5%	53	0.27	0.0	71.2%	107859.9	**0.259**
Oct-13	31	1,708	271.5	0	21,105	3,355.3	2,135	339	9	0	108	11	213,077	33875	0	86263	28114	15	0	92.5%	115	0.10	0.0	71.8%	111430.6	**0.254**
Nov-13	30	1,858	295.4	0	18,753	2,981.5	11,057	1,758	10	0	99	59	214,935	34171	0	89244	29872	15	0	91.0%	107	0.55	0.0	72.3%	114642.9	**0.262**
Dec-13	31	1,585	252.0	0	11,255	1,789.3	0	0	8	0	58	0	216,520	34423	0	91033	29872	16	0	87.7%	64	0.00	0.0	72.6%	116625.3	**0.257**
Jan-14	31	1,412	224.5	0	10,236	1,627.3	0	0	7	0	52	0	217,932	34647	0	92661	29872	16	0	87.9%	58	0.00	0.0	72.8%	118424.8	**0.254**
Feb-14	28	1,352	214.9	0	8,627	1,371.5	0	0	8	0	49	0	219,284	34862	0	94032	29872	15	0	86.5%	55	0.00	0.0	73.0%	119960.2	**0.250**
Mar-14	31	1,445	229.7	0	8,760	1,392.7	0	0	7	0	45	0	220,729	35092	0	95425	29872	15	0	85.8%	51	0.00	0.0	73.1%	121527.7	**0.247**
Apr-14	30	1,334	212.1	0	7,640	1,214.6	0	0	7	0	40	0	222,063	35304	0	96639	29872	15	0	85.1%	46	0.00	0.0	73.2%	122903.3	**0.244**
May-14	31	853	135.6	0	5,774	917.9	0	0	4	0	30	0	222,915	35440	0	97557	29872	14	0	87.1%	33	0.00	0.0	73.4%	123924.9	**0.242**
Jun-14	30	973	154.7	0	5,065	805.3	0	0	5	0	27	0	223,888	35594	0	98363	29872	14	0	83.9%	31	0.00	0.0	73.4%	124847.1	**0.240**
Jul-14	31	1,216	193.3	0	4,726	751.3	0	0	6	0	24	0	225,104	35788	0	99114	29872	14	0	79.5%	29	0.00	0.0	73.5%	125743.4	**0.239**
Aug-14	31	1,004	159.7	0	5,978	950.4	0	0	5	0	31	0	226,108	35947	0	100064	29872	13	0	85.6%	35	0.00	0.0	73.6%	126815.2	**0.237**
Sep-14	30	955	151.9	0	8,098	1,287.5	0	0	5	0	43	0	227,064	36099	0	101352	29872	13	0	89.4%	47	0.00	0.0	73.7%	128220.2	**0.234**
Oct-14	31	704	111.9	0	6,770	1,076.3	0	0	4	0	35	0	227,767	36211	0	102428	29872	12	0	90.6%	38	0.00	0.0	73.9%	129383.6	**0.232**
Nov-14	30	0	0.0	0	0	0.0	0	0	0	0	0	0	227,767	36211	0	102428	29872	0					0.0	73.9%	129383.6	**0.232**
Dec-14	31	794	126.3	0	6,691	1,063.7	0	0	4	0	34	0	228,561	36337	0	103492	29872	11	0	89.4%	37	0.00	0.0	74.0%	130544.9	**0.230**
Jan-15	31	685	108.8	0	4,143	658.6	0	0	4	0	21	0	229,246	36446	0	104151	29872	9	0	85.8%	24	0.00	0.0	74.1%	131286.3	**0.229**
Feb-15	28	570	90.6	0	3,360	534.2	0	0	3	0	19	0	229,816	36537	0	104685	29872	8	0	85.5%	22	0.00	0.0	74.1%	131889.4	**0.228**
Mar-15	31	636	101.1	0	3,339	530.8	0	0	3	0	17	0	230,452	36638	0	105216	29872	8	0	84.0%	20	0.00	0.0	74.2%	132496.8	**0.227**
Apr-15	30	496	78.8	0	2,695	428.5	0	0	3	0	14	0	230,948	36717	0	105644	29872	6	0	84.5%	16	0.00	0.0	74.2%	132985.0	**0.226**
May-15	31	546	86.8	0	2,656	422.3	0	0	3	0	14	0	231,495	36804	0	106066	29872	7	0	82.9%	16	0.00	0.0	74.2%	133472.9	**0.225**
Jun-15	30	654	104.0	0	2,627	417.7	0	0	3	0	14	0	232,149	36908	0	106484	29872	7	0	80.1%	17	0.00	0.0	74.3%	133968.6	**0.224**
Jul-15	31	665	105.7	0	2,247	357.2	0	0	3	0	12	0	232,814	37013	0	106841	29872	7	0	77.2%	14	0.00	0.0	74.3%	134404.8	**0.223**
Aug-15	31	585	93.0	1.5	1,245	198.0	0	0	3	0	6	0	233,399	37106	2	107039	29872	6	16	68.0%	12	0.00	0.0	74.3%	134777.9	**0.223**
Sep-15	30	590	93.8	0.8	1,328	211.1	0	0	3	0	7	0	233,990	37200	2	107250	29872	6	9	69.2%	11	0.00	0.1	74.2%	135115.3	**0.222**
Oct-15	31	577	91.7	0	1,254	199.3	0	0	3	0	6	0	234,567	37292	2	107450	29872	6	0	68.5%	9	0.00	0.1	74.2%	135382.5	**0.222**
Nov-15	30	470	74.7	0	877	139.5	0	0	2	0	5	0	235,037	37367	2	107589	29872	6	0	65.1%	6	0.00	0.1	74.2%	135577.3	**0.221**
Dec-15	31	455	72.3	0	811	129.0	0	0	2	0	4	0	235,492	37439	2	107718	29872	6	0	64.1%	6	0.00	0.1	74.2%	135759.7	**0.221**

Waskada Unit No. 15	Date	Oil Prod (m3/d)	Gas Prod (e3m3/d)	H2O Prod (m3/d)	H2O Inj (m3/d)	Monthly VRR	Cum VRR	Cum PRD Oil (m3)	Cum PRD Gas (e3m3	Cum PRD Water (m3)	Cum INJ Water (m3)
	Dec-2015	2	-	4	-	0.00	0.221	37,439	2	107,718	29,872



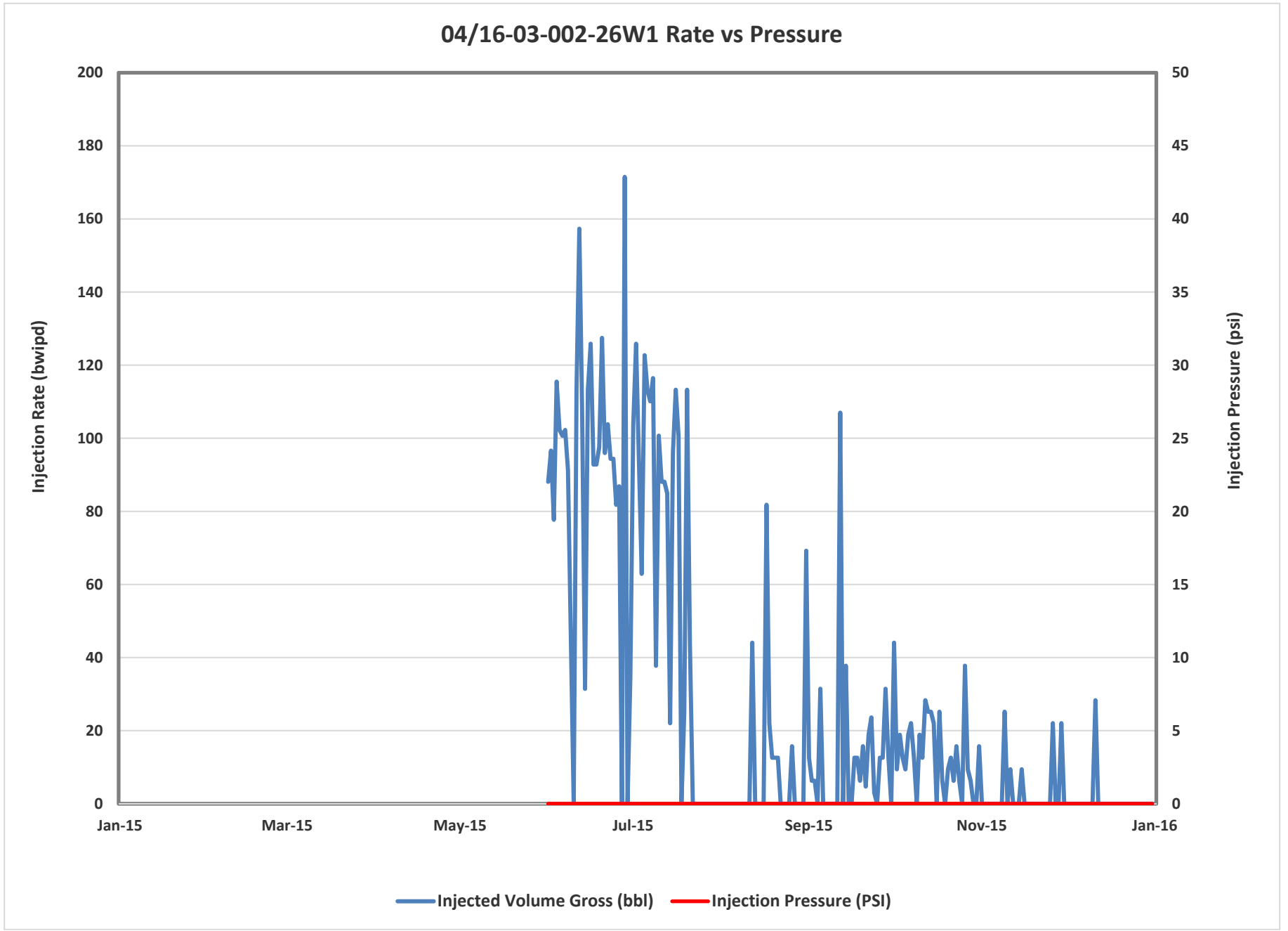



Waskada Unit No. 15 - Rate Time
1000
100
10
1
0.1
10,000
1,000
100
10
1
m3/d, # Well
INJ Monthly Water (m3)
Jan-12
May-12
Sep-12
Jan-13
May-13
Sep-13
Jan-14
May-14
Sep-14
Jan-15
May-15
Sep-15
Date
Cal-Day Avg Oil (m3/day)
Cal-Day Avg WTR (m3/day)
PRD Well Count
PRD Cal-Day Avg GAS (N/A)
PRD Ratio: GAS Oil (N/A)
INJ Monthly Water (m3)


Waskada Unit No. 15 - Rate Cum
1000
100
10
1
0.1
10,000
1,000
100
10
1
m3/d, # Well
INJ Monthly Water (m3)
0
5000
10000
15000
20000
25000
30000
35000
40000
Cum PRD OIL (m3)
Cal-Day Avg Oil (m3/day)
Cal-Day Avg WTR (m3/day)
PRD Well Count
PRD Cal-Day Avg GAS (N/A)
PRD Ratio: GAS Oil (N/A)
INJ Monthly Water (m3)

Waskada Unit No. 15 - Injection Parameters

Month	Oil Rate (m3/d)	Gas Rate (e3m3/d)	Water Rate (m3/d)	Water Inj Rate (m3/d)	Water Inj Press (psi)	Cum Oil (m3)	Cum Gas (e3m3)	Cum Water (m3)	Cum Inj Water (m3)	GOR (m3/m3)	WOR (m3/m3)
Jan-15	3.5	0.0	21.2	0.0		36,446	0.0	104,151	29871.5	0	6.05
Feb-15	3.2	0.0	19.1	0.0		36,537	0.0	104,685	29871.5	0	5.89
Mar-15	3.3	0.0	17.1	0.0		36,638	0.0	105,216	29871.5	0	5.25
Apr-15	2.6	0.0	14.3	0.0		36,717	0.0	105,644	29871.5	0	5.44
May-15	2.8	0.0	13.6	0.0		36,804	0.0	106,066	29871.5	0	4.86
Jun-15	3.5	0.0	13.9	0.0		36,908	0.0	106,484	29871.5	0	4.01
Jul-15	3.4	0.0	11.5	0.0		37,013	0.0	106,841	29871.5	0	3.38
Aug-15	3.0	0.0	6.4	0.0		37,106	1.5	107,039	29871.5	16	2.13
Sep-15	3.1	0.0	7.0	0.0		37,200	2.3	107,250	29871.5	9	2.25
Oct-15	3.0	0.0	6.4	0.0		37,292	2.3	107,450	29871.5	0	2.17
Nov-15	2.5	0.0	4.6	0.0		37,367	2.3	107,589	29871.5	0	1.87
Dec-15	2.3	0.0	4.2	0.0		37,439	2.3	107,718	29871.5	0	1.78


04/16-03-002-26W1 Rate vs Pressure
Injection Rate (bwipd)
Injection Pressure (psi)
200
180
160
140
120
100
80
60
40
20
0
50
45
40
35
30
25
20
15
10
5
0
Jan-15
Mar-15
May-15
Jul-15
Sep-15
Nov-15
Jan-16
Injected Volume Gross (bbl)
Injection Pressure (PSI)