

**WASKADA UNIT NO. 2
WATERFLOOD EOR PROJECT**

ANNUAL WATERFLOOD PROGRESS REPORT FOR 2015

March 30, 2016

Tundra Oil and Gas Partnership

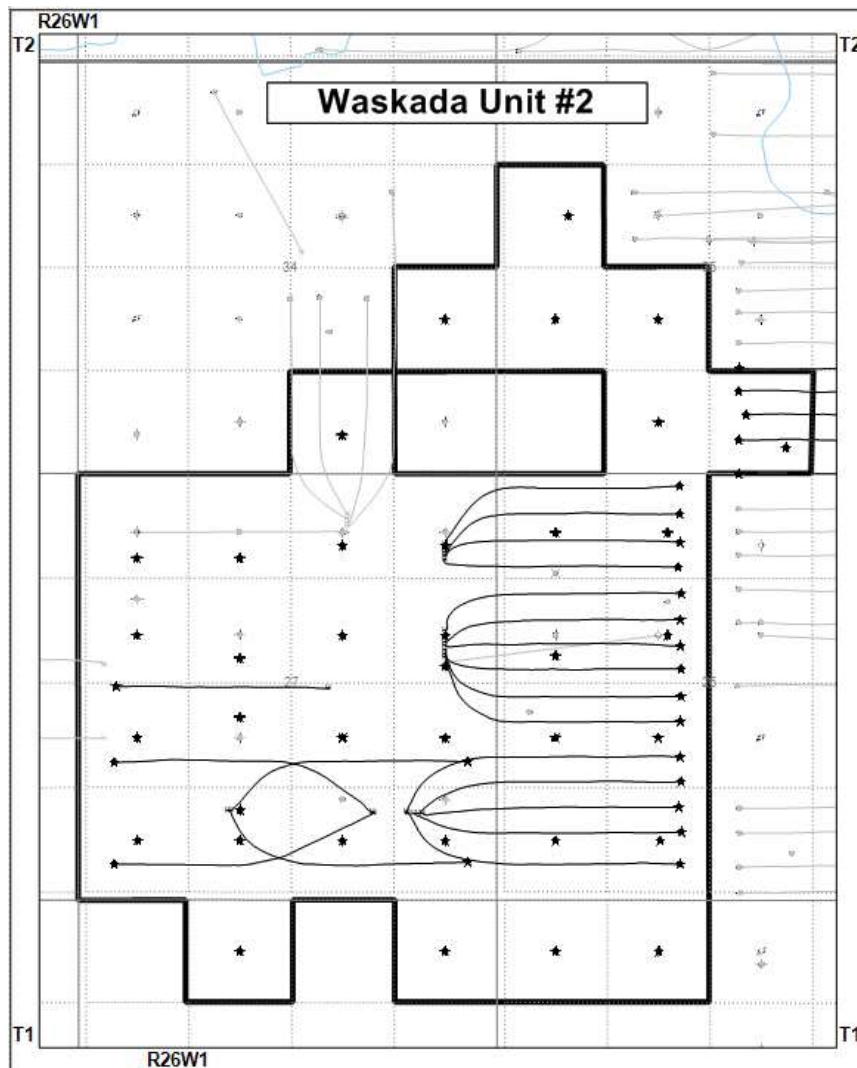
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INTRODUCTION

Waskada Unit No. 2 Enhanced Oil Recovery (EOR) Waterflood Project was approved under Board Order No. PM58 effective January 1984. The Unit area contains 41 abandoned/inactive wells, including 9 inactive injectors, and 21 producing wells in 35 LSDs in Township 1 Range 25 W1 as shown in the figure below.

Figure 1: Waskada Unit 1 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. 2.

DISCUSSION

Production History

For the wells included in Waskada Unit No. 2, production started in January 1967 with 00/02-35-001-25W1/0. Average oil production peaked for the first time at 4.0 m³/d per well in August 1983. This production was coming from 30 wells and totaled 121.4 m³/d for the whole Unit. The production at the end of December 2015 averaged 0.4 m³/d per well, totaling 6.88 m³/d for the Unit. Water injection commenced in Waskada Unit No. 2 in December 1983 until 2010, and intermittently in 2011 and 2012. 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 2 Production/Injection Rates and WOR vs Time

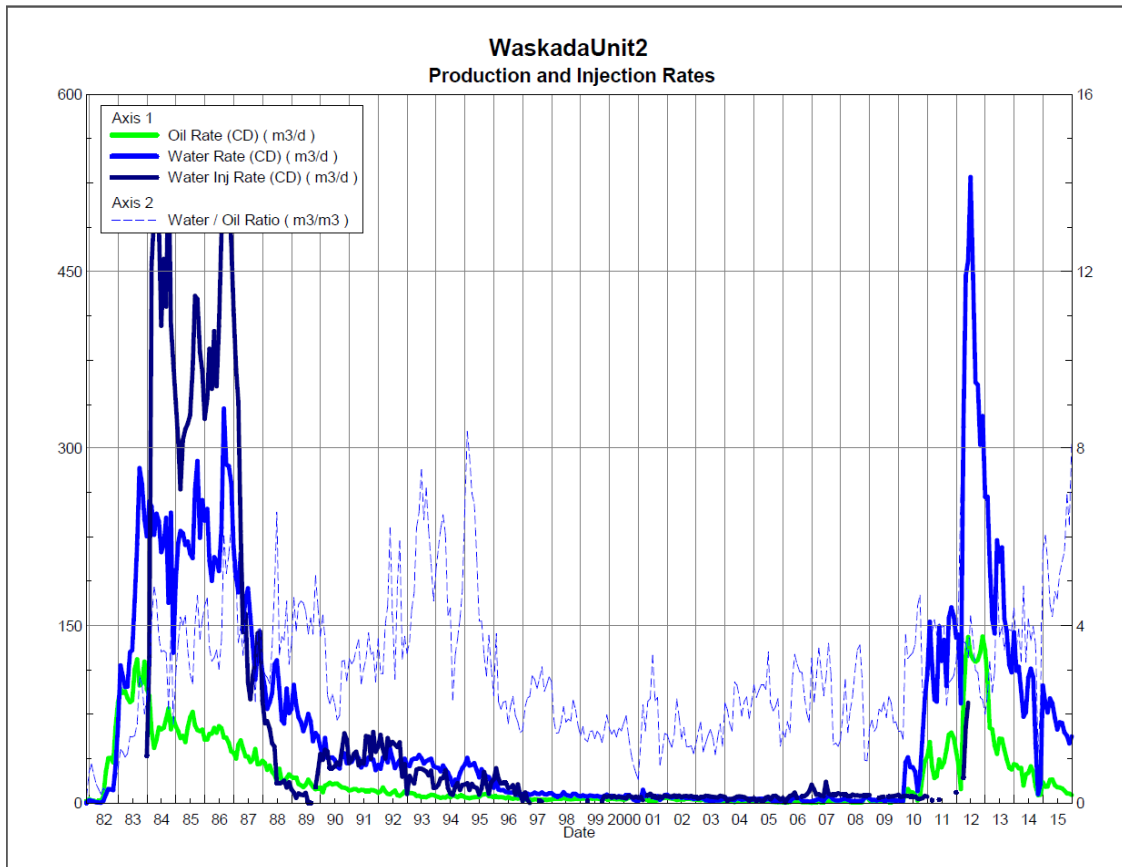
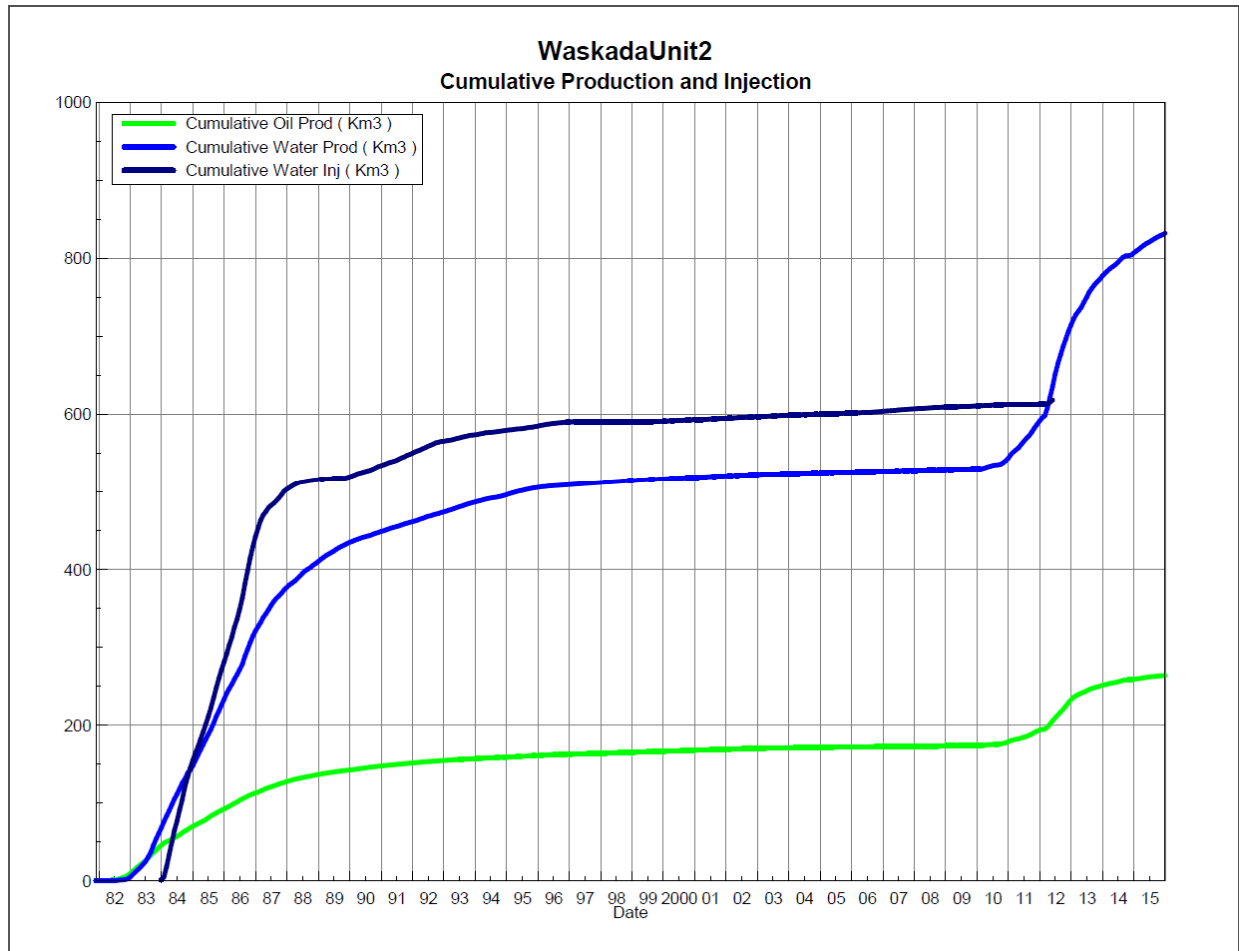


Figure 3 shows the cumulative production for Waskada Unit No. 1 to the end of December 2015 as 263.4 e³m³ of oil, and 831.9 e³m³ of water.

Figure 3: Waskada Unit 1 Cumulative Oil, Water and Water Injected vs Time



Waterflood EOR Operating Strategy and Performance

Corrosion and Scale Prevention

The facilities in Unit 2 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. 2.

Waterflood Performance Discussion

From January 1 to December 31 in 2015, none of the 6 wells in the Unit produced or injected any fluid. There is no active injection in this Unit, and Tundra Oil and Gas has no plans to reactivate injection. Due to the new horizontals being produced and no pressure support occurring in the Unit, the cumulative VRR has dropped in the last 3 years, down to 0.544.

Table 2 summarizes the yearly and cumulative VRR for Waskada Unit No. 16.

Figure 4: Waskada Unit 2 Production and Injection Rate

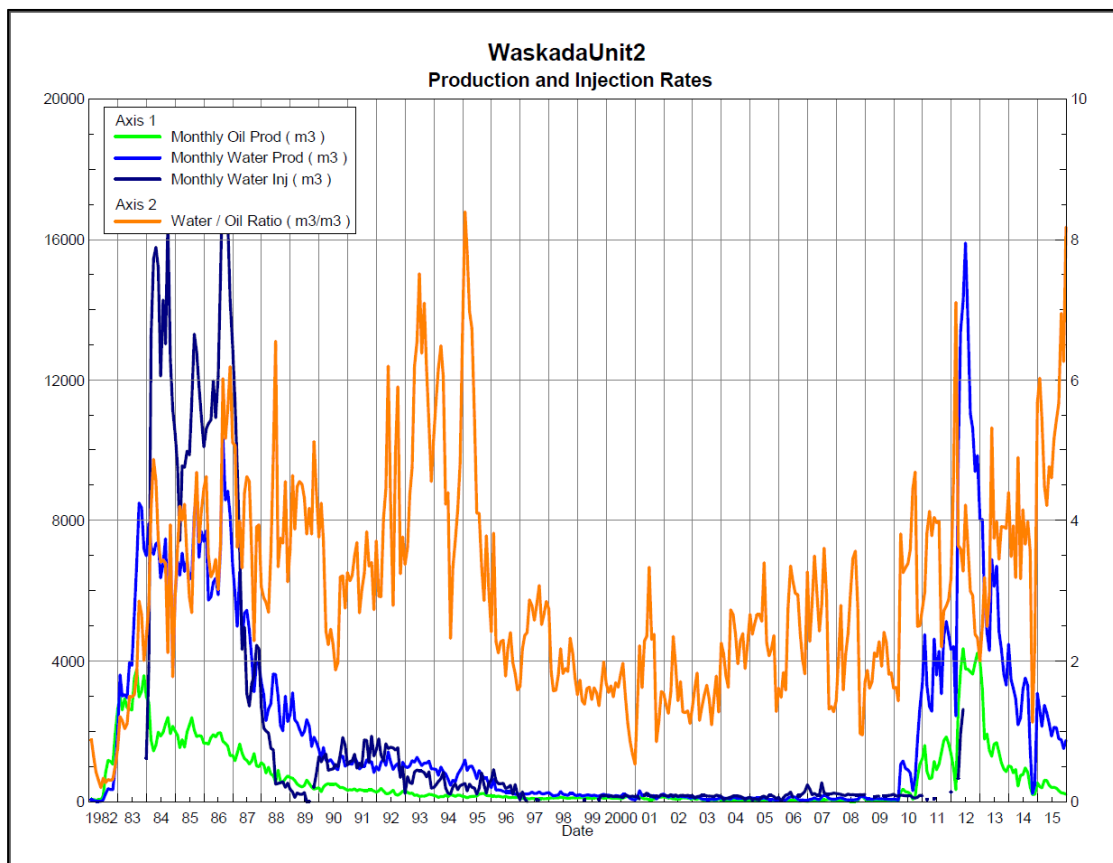


TABLE NO. 1: WASKADA UNIT NO. 2 WELL SUMMARY

UWI	Type	Status	On Prod Date	Cum Prd Oil (m3)	Cum Prd Water (m3)	Last Prod Date	Cum Inj Water (m3)	Last Inj Date
100/02-35-001-26W1/0	Vertical	Abandoned	11/1/1981	1236.9	1020.2	2/28/1989	0	
100/06-26-001-26W1/0	Vertical	Producing	6/1/1982	17216.2	8483.1	5/31/2013	0	
100/03-26-001-26W1/0	Vertical	Producing	7/1/1982	12237.4	15790.4	4/30/2012	0	
100/05-26-001-26W1/0	Vertical	Injection	7/1/1982	4452.2	559.9	1/31/1984	144213.2	5/31/2012
100/11-26-001-26W1/0	Vertical	Abandoned	7/1/1982	5291.4	9748	6/30/1996	0	
100/08-27-001-26W1/0	Vertical	Abandoned	8/1/1982	9203.7	34446.8	4/30/1992	0	
100/14-23-001-26W1/0	Vertical	Abandoned	10/1/1982	10111.6	14240.4	4/30/1996	0	
100/04-26-001-26W1/0	Vertical	Producing	10/1/1982	22619.7	59341.1	5/31/2013	0	
100/14-26-001-26W1/0	Vertical	Abandoned	11/1/1982	1247.3	17023	10/31/1988	0	
100/02-27-001-26W1/0	Vertical	Abandoned	11/1/1982	2736.2	10521.3	12/31/1991	0	
100/12-27-001-26W1/0	Vertical	Abandoned	11/1/1982	8116.1	27663.9	5/31/1993	0	
100/01-27-001-26W1/0	Vertical	Abandoned	12/1/1982	3814.1	22881	8/31/1988	0	
100/05-27-001-26W1/0	Vertical	Abandoned	12/1/1982	1918.4	3489.8	1/31/1984	70884.5	3/31/1987
100/07-27-001-26W1/0	Vertical	Abandoned	12/1/1982	2287.8	3673.2	1/31/1984	102312.7	3/31/1999
100/09-27-001-26W1/0	Vertical	Abandoned	12/1/1982	1821.9	6784.9	1/31/1990	0	
100/10-27-001-26W1/0	Vertical	Abandoned	12/1/1982	4358.2	11773.5	12/31/1995	0	
100/06-35-001-26W1/0	Vertical	Abandoned	12/1/1982	3515.1	13752	4/30/1991	0	
100/04-27-001-26W1/0	Vertical	Abandoned	2/1/1983	3241.1	24521.8	5/31/1988	0	
100/08-34-001-26W1/0	Vertical	Abandoned	2/1/1983	1499.7	14809.6	2/28/1990	0	
100/13-26-001-26W1/0	Vertical	Abandoned	3/1/1983	455.7	3106.3	1/31/1984	57700.3	3/31/1987
100/03-27-001-26W1/0	Vertical	Abandoned	3/1/1983	1812	14399.5	6/30/1988	0	
100/13-23-001-26W1/0	Vertical	Abandoned	6/1/1983	1444.6	22331.6	2/29/1988	16299.8	3/31/1994
102/12-26-001-26W1/0	Vertical	Abandoned	6/1/1983	10870.7	23413.6	5/31/1996	0	
102/15-27-001-26W1/0	Vertical	Abandoned	6/1/1983	1832.7	380.9	1/31/1984	75779.8	12/31/1987
102/16-27-001-26W1/0	Vertical	Abandoned	6/1/1983	3332.5	26565.2	5/31/1990	0	
102/06-27-001-26W1/0	Vertical	Abandoned	7/1/1983	9371.4	22334.5	3/31/1993	0	
102/13-27-001-26W1/0	Vertical	Abandoned	7/1/1983	1431	1348.3	1/31/1984	65794.7	12/31/1986
102/11-27-001-26W1/0	Vertical	Abandoned	8/1/1983	1755.2	28320.2	4/30/1989	0	
102/14-27-001-26W1/0	Vertical	Abandoned	8/1/1983	23444	50261.2	12/31/1995	0	
100/02-34-001-26W1/2	Vertical	Abandoned	8/1/1983	1073.1	7922.5	3/31/1990	0	
100/05-35-001-26W1/0	Vertical	Abandoned	10/1/1983	627.8	6047	9/30/1985	23570.1	10/31/1992
100/12-35-001-26W1/0	Vertical	Abandoned	10/1/1983	697.5	7886.8	11/30/1989	0	
100/03-35-001-26W1/2	Vertical	Abandoned	3/1/1984	439.5	9279	10/31/1989	0	
100/14-22-001-26W1/0	Vertical	Abandoned	11/1/1985	364.8	5808.2	4/30/1987	0.0	
102/09-27-001-26W1/2	Vertical	Abandoned	3/1/1987	527.5	2827.1	4/30/1992	0.0	
102/03-27-001-26W1/2	Vertical	Abandoned	11/1/1988	0.0	1277.0	2/28/1989	0.0	
102/05-27-001-26W1/0	Horizontal	Producing	3/1/2010	4022.1	21428.7	1/31/2016	0.0	
103/01-27-001-26W1/0	Horizontal	Producing	9/1/2010	6483.4	25774.7	1/31/2016	0.0	
102/08-27-001-26W1/0	Horizontal	Producing	9/1/2010	7637.0	16840.8	1/31/2016	0.0	
102/04-27-001-26W1/0	Horizontal	Producing	12/1/2010	2441.3	50952.2	1/31/2016	0.0	
103/05-27-001-26W1/0	Horizontal	Producing	12/1/2010	2866.1	26648.4	11/30/2015	0.0	
102/03-26-001-26W1/0	Horizontal	Producing	8/1/2011	5320.7	14908.7	1/31/2016	0.0	
102/06-26-001-26W1/0	Horizontal	Producing	8/1/2011	4156.0	10148.8	1/31/2016	0.0	
103/06-26-001-26W1/0	Horizontal	Producing	3/1/2012	2757.3	6235.7	1/31/2016	0.0	
104/06-26-001-26W1/0	Horizontal	Producing	3/1/2012	4024.3	7497.0	5/31/2014	0.0	
103/11-26-001-26W1/0	Horizontal	Producing	3/1/2012	2958.2	7108.7	5/31/2014	0.0	
104/11-26-001-26W1/0	Horizontal	Producing	3/1/2012	2375.1	7470.4	8/31/2015	0.0	
105/11-26-001-26W1/0	Horizontal	Producing	3/1/2012	2801.1	8167.4	1/31/2016	0.0	
106/11-26-001-26W1/0	Horizontal	Producing	3/1/2012	3322.4	11279.0	1/31/2016	0.0	
102/14-26-001-26W1/0	Horizontal	Producing	3/1/2012	2149.7	12388.5	1/31/2016	0.0	
103/14-26-001-26W1/0	Horizontal	Producing	3/1/2012	2748.2	10900.0	12/31/2015	0.0	
104/14-26-001-26W1/0	Horizontal	Producing	3/1/2012	3122.4	8740.5	1/31/2016	0.0	
105/14-26-001-26W1/0	Horizontal	Producing	3/1/2012	1881.3	15620.8	12/31/2014	0.0	
103/03-26-001-26W1/0	Horizontal	Producing	4/1/2012	4094.8	10318.3	1/31/2016	0.0	
104/03-26-001-26W1/0	Horizontal	Producing	4/1/2012	2853.1	4690.3	12/31/2014	0.0	
105/06-26-001-26W1/0	Horizontal	Producing	4/1/2012	4466.3	6926.8	2/28/2015	0.0	
102/02-35-001-26W1/0	Horizontal	Producing	10/1/2012	1456.3	1583.4	4/30/2015	0.0	
103/02-35-001-26W1/0	Horizontal	Producing	10/1/2012	2319.5	3079.8	12/31/2015	0.0	
104/02-35-001-26W1/0	Horizontal	Producing	10/1/2012	3097.8	4394.0	1/31/2016	0.0	
105/02-35-001-26W1/0	Horizontal	Producing	10/1/2012	4866.5	4132.3	1/31/2016	0.0	
105/07-35-001-26W1/0	Horizontal	Producing	10/1/2012	3052.0	2374.3	1/31/2016	0.0	
100/16-22-001-26W1/0	Vertical	Abandoned	N/A	0.0	0.0		61797.8	2/29/1988
				88165.2	309521.8		61797.8	

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
12/31/1981	146	145.800	78	77.600	0.53		0.000	0.000	0.000
12/31/1982	9220	9365.800	4445	4522.600	0.48		0.000	0.000	0.000
12/31/1983	36384	45749.900	63552	68074.800	1.75	1239	1239.000	0.012	0.010
12/31/1984	24120	69869.800	79843	147918.000	3.31	153606	154845.200	1.428	0.678
12/31/1985	22559	92428.600	85328	233245.700	3.78	126181	281026.500	1.134	0.828
12/31/1986	20364	112792.600	87504	320749.700	4.30	160776	441802.600	1.449	0.981
12/31/1987	14682	127474.900	56168	376917.500	3.83	61485	503288.000	0.842	0.961
12/31/1988	9025	136500.200	32921	409838.200	3.65	12461	515749.000	0.288	0.910
12/31/1989	5778	142278.400	24659	434497.400	4.27	3834	519583.400	0.122	0.869
12/31/1990	5145	147423.700	13878	448375.500	2.70	14370	533952.900	0.726	0.864
12/31/1991	3887	151310.900	12754	461129.200	3.28	15978	549931.100	0.928	0.866
12/31/1992	3270	154580.600	12727	473855.700	3.89	15440	565371.100	0.937	0.868
12/31/1993	2365	156945.500	12922	486777.900	5.46	8431	573802.200	0.539	0.860
12/31/1994	1970	158915.600	9267	496044.500	4.70	5612	579414.300	0.487	0.854
12/31/1995	2064	160979.400	9530	505574.100	4.62	5405	584819.600	0.454	0.847
12/31/1996	1647	162626.300	3642	509216.500	2.21	5289	590108.400	0.955	0.848
12/31/1997	1084	163710.700	2867	512083.000	2.64	469	590576.900	0.114	0.843
12/31/1998	1327	165037.200	2463	514545.800	1.86		590576.900	0.000	0.838
12/31/1999	1379	166415.700	2187	516732.700	1.59	639	591215.500	0.169	0.835
12/31/2000	1300	167716.100	1779	518511.900	1.37	1818	593033.900	0.555	0.834
12/31/2001	1198	168914.400	2168	520680.100	1.81	1816	594849.400	0.512	0.832
12/31/2002	1213	170127.500	1781	522461.000	1.47	2044	596893.500	0.644	0.831
12/31/2003	711	170838.700	1068	523529.000	1.50	1921	598814.500	1.019	0.832
12/31/2004	554	171392.700	1214	524743.400	2.19	1437	600251.000	0.776	0.832
12/31/2005	421	171814.100	999	525742.100	2.37	1383	601634.400	0.933	0.832
12/31/2006	360	172173.600	906	526648.000	2.52	2275	603909.700	1.725	0.833
12/31/2007	527	172700.500	1190	527837.600	2.26	3093	607002.600	1.723	0.836
12/31/2008	648	173348.500	1062	528899.800	1.64	2396	609398.200	1.325	0.837
12/31/2009	471	173819.900	912	529812.000	1.94	1378	610776.000	0.947	0.837
12/31/2010	4704	178524.000	13796	543607.900	2.93	1905	612681.300	0.099	0.818
12/31/2011	14903	193426.600	47774	591381.800	3.21	432	613113.200	0.007	0.753
12/31/2012	39128	232554.600	122927	714308.600	3.14	5240	618352.900	0.031	0.630
12/31/2013	18306	250860.600	63067	777375.300	3.45		618352.900	0.000	0.580
12/31/2014	7878	258738.200	29487	806862.600	3.74		618352.900	0.000	0.560
12/31/2015	4727	263465.000	25119	831981.600	5.31		618352.900	0.000	0.544

TABLE NO. 3

**Tundra Oil and Gas
Waskada Unit No. 2
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. 16 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. 16 Total:				
	1981	0	0	0.00
	1982	0	0	0.00
	1983	0	39.97	1,239.00
	1984	0	420.35	12,800.52
	1985	0	345.2	10,515.11
	1986	0	440.21	13,398.01
	1987	0	169.4	5,123.78
	1988	0	34.15	1,038.42
	1989	0	11.41	348.58
	1990	0	39.42	1,197.46
	1991	0	43.68	1,331.52
	1992	0	42.3	1,286.67
	1993	0	23.1	702.59
	1994	0	15.4	467.68
	1995	0	14.8	450.44
	1996	0	14.5	440.73
	1997	0	3.1	93.70
	1998	0	0.0	0.00
	1999	0	4.2	127.72
	2000	0	5.0	151.53
	2001	0	5.4	165.05
	2002	0	5.6	170.34
	2003	0	5.3	160.08
	2004	0	3.9	119.71
	2005	0	3.8	115.28
	2006	0	6.8	206.85
	2007	0	8.5	257.74
	2008	0	6.6	199.63
	2009	0	5.6	172.22
	2010	0	5.2	158.78
	2011	0	4.7	143.97
	2012	0	57.0	1,746.57
	2013	0	0.0	0.00
	2014	0	0.0	0.00
	2015	0	0.0	0.00
Group Totals:				54,329.68

TABLE NO. 4

**Tundra Oil and Gas
Waskada Unit No. 2
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	13,647	13.91	431	84	2,601	6	18
Feb-15	12,547	14.06	394	77	2,143	5	19
Mar-15	14,136	19.70	611	88	2,737	4	19
Apr-15	13,771	19.98	600	84	2,523	4	19
May-15	13,519	15.09	468	72	2,226	5	18
Jun-15	13,439	13.51	405	62	1,865	5	19
Jul-15	13,848	13.19	409	68	2,116	5	19
Aug-15	12,672	12.46	386	68	2,099	5	17
Sep-15	12,240	10.52	316	60	1,792	6	17
Oct-15	12,888	8.17	253	57	1,761	7	17
Nov-15	11,496	8.04	241	50	1,512	6	16
Dec-15	11,232	6.88	213	56	1,745	8	15
	155,435		4,727		25,119		

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
12/31/1981	864	2.38	73	1.25	39	0.42	1
12/31/1982	35160	25.10	768	12.08	370	0.44	4
12/31/1983	200304	99.62	3,032	173.72	5296	1.72	23
12/31/1984	226776	65.88	2,010	218.00	6654	3.42	26
12/31/1985	208642	61.75	1,880	233.85	7111	3.84	24
12/31/1986	199581	55.82	1,697	239.46	7292	4.40	23
12/31/1987	178291	40.31	1,224	153.95	4681	3.85	20
12/31/1988	165696	24.65	752	89.88	2743	3.78	19
12/31/1989	148152	15.86	482	67.61	2055	4.29	17
12/31/1990	107856	14.11	429	38.16	1157	2.80	12
12/31/1991	108336	10.66	324	34.96	1063	3.29	12
12/31/1993	73704	6.49	197	35.41	1077	5.65	8
12/31/1994	68616	5.39	164	25.39	772	4.84	8
12/31/1995	68232	5.64	172	26.13	794	4.92	8
12/31/1996	35400	4.50	137	9.95	304	2.18	4
12/31/1997	26040	2.97	90	7.85	239	2.65	3
12/31/1998	26088	3.63	111	6.74	205	1.85	3
12/31/1999	26208	3.78	115	5.99	182	1.59	3
12/31/2000	22464	3.55	108	4.86	148	1.37	3
12/31/2001	23424	3.29	100	5.98	181	1.91	3
12/31/2002	25392	3.33	101	4.88	148	1.49	3
12/31/2003	20424	1.95	59	2.93	89	1.54	2
12/31/2004	25608	1.51	46	3.32	101	2.23	3
12/31/2005	22368	1.16	35	2.74	83	2.33	3
12/31/2006	20047	0.99	30	2.48	75	2.46	2
12/31/2007	20,027	1.44	44	3.25	99	2.39	2
12/31/2008	17,804	1.77	54	2.91	89	2.27	2
12/31/2009	25,620	1.29	39	2.50	76	1.96	3
12/31/2010	31,793	12.82	392	37.59	1150	3.11	4
12/31/2011	63,913	40.75	1,242	130.77	3981	3.37	7
12/31/2012	154,999	106.62	3,261	335.36	10244	3.56	18
12/31/2013	195,659	50.18	1,526	172.79	5256	3.64	22
12/31/2014	148,547	21.58	656	80.85	2457	3.59	17
12/31/2015	155,435	12.96	394	68.83	2093	5.60	18
	2,877,470		21,744		68,304		