

WASKADA LOWER MARANTH UNIT NO. 1

WATERFLOOD EOR PROJECT

ANNUAL WATERFLOOD PROGRESS REPORT FOR 2015

June 30, 2016

Tundra Oil and Gas Partnership

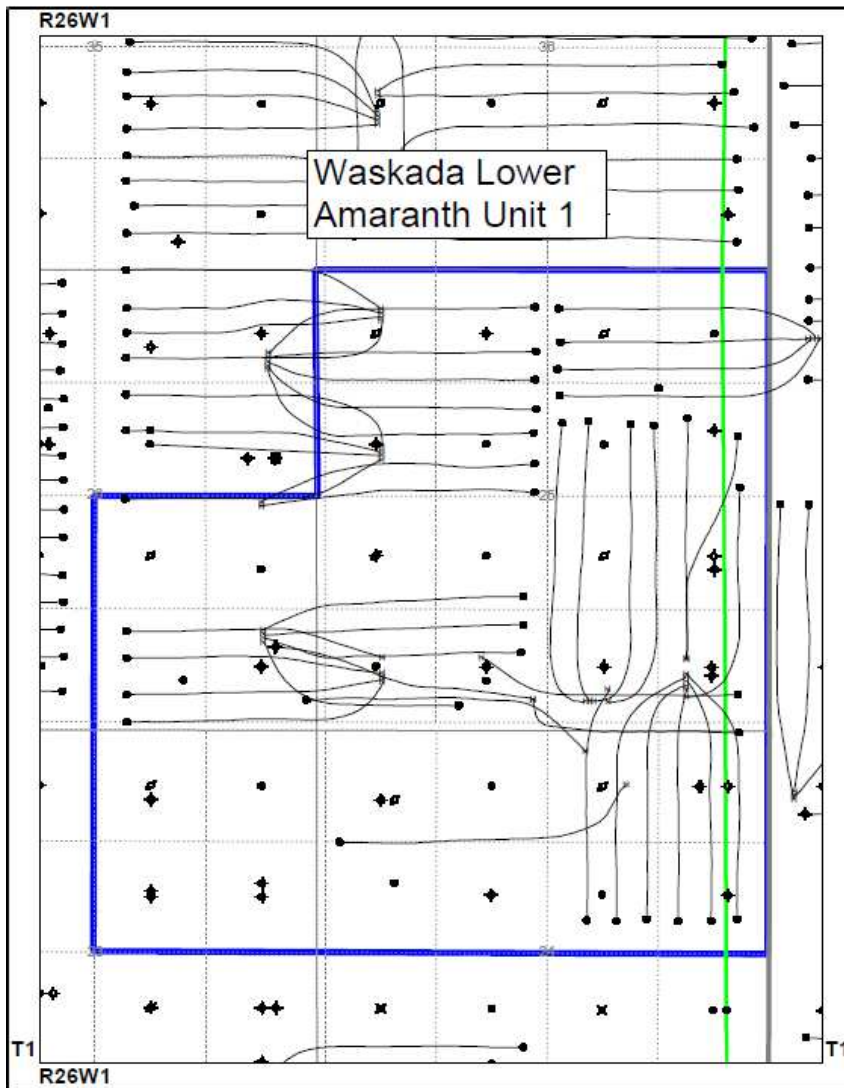
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INTRODUCTION

Waskada Lower Amaranth Unit No. 1 Enhanced Oil Recovery (EOR) Waterflood Project was approved under Waterflood Order No. 58 effective February 1983. The Unit area contains 18 abandoned/suspended/inactive wells, including 8 suspended/inactive injectors, and 51 producing/inactive wells in 32 LSDs in Township 1, Range 26 W1 as shown in the figure below.

Figure 1: Waskada Lower Amaranth 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 Lower Amaranth Unit No. 1.

DISCUSSION

Production History

For the wells included in Waskada Lower Amaranth Unit No. 1, production started in October 1981 with the 00/05-25-001-26W1/2 Vertical well. Average oil production peaked for the first time at 6.5 m³/d per well in December 1983. This production was coming from 32 wells and totaled 207.9 m³/d for the whole Unit. The production at the end of December 2015 averaged 0.6 m³/d per well, totaling 11.2 m³/day for the Unit. Water injection commenced in Waskada Lower Amaranth Unit No. 1 in February 1983 until end of January 2013. 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 Lower Amaranth Unit 1 Production/Injection Rates and WOR vs Time

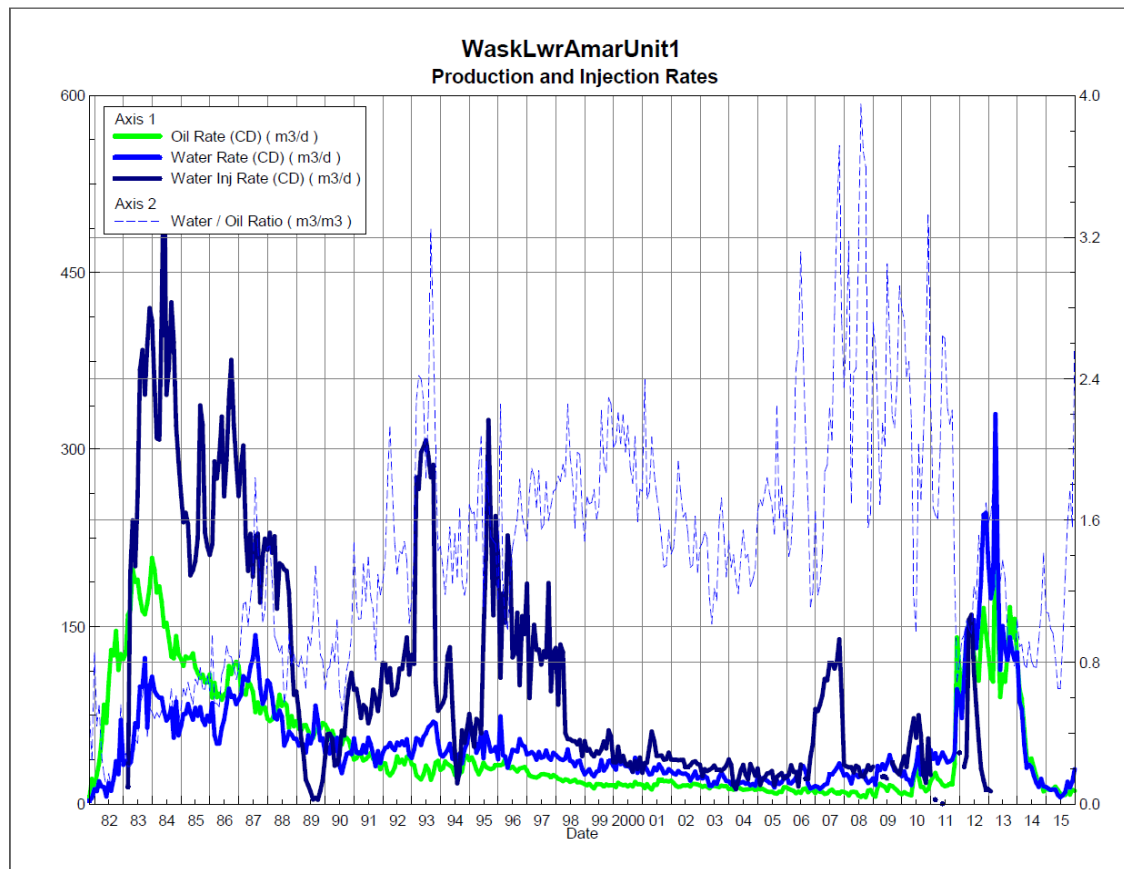
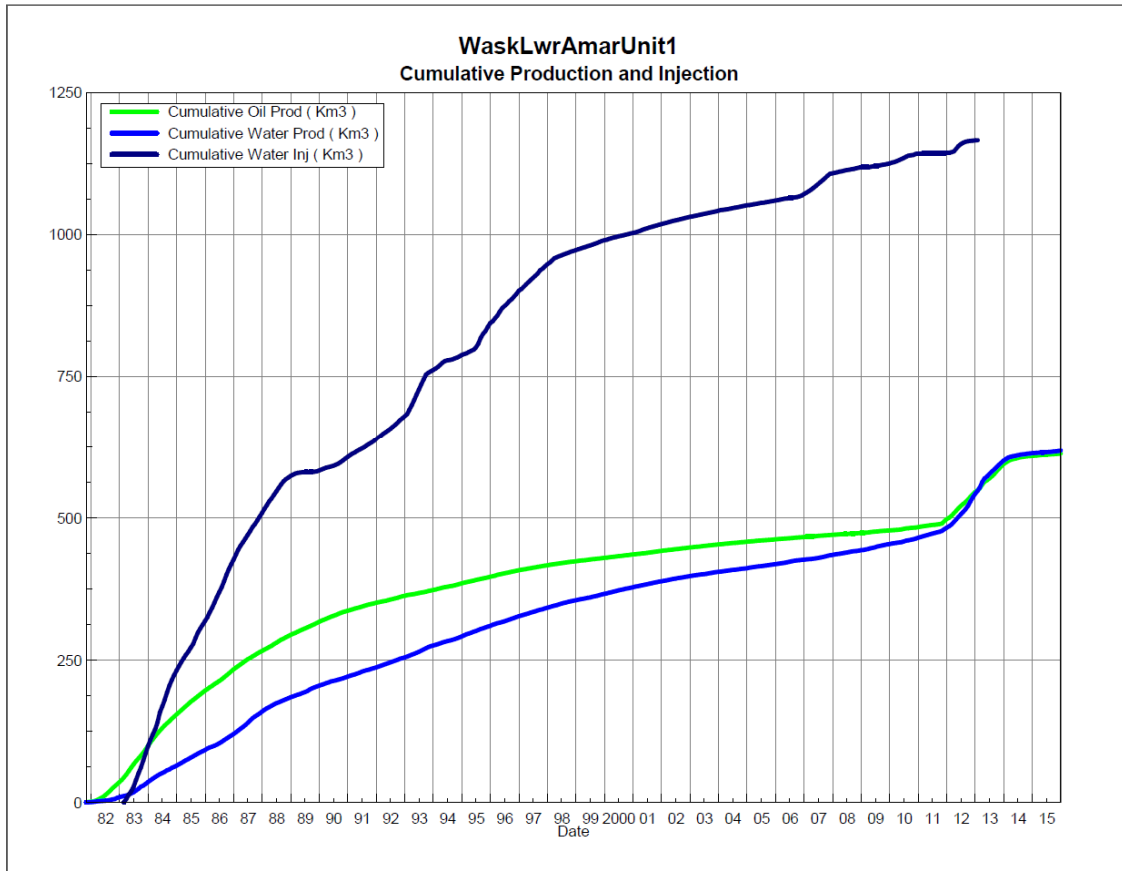


Figure 3 shows the cumulative production for Waskada Lower Amaranth Unit No. 1 to the end of December 2015 as 612.7 e³m³ of oil, and 618.3 e³m³ of water.

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



Waterflood EOR Operating Strategy and Performance

Corrosion and Scale Prevention

The facilities in Unit 1 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 Lower Amaranth Unit No. 1.

Waterflood Performance Discussion

From January 1 to December 31 in 2015, Waskada Lower Amaranth Unit No. 1 produced 9.0 e3m3 of fluid (4.0 e3m3 of Oil, 5.0 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 wells being produced and no pressure support occurring in the Unit, the cumulative VRR has dropped in the last 2 years, down to 0.881.

Table 2 summarizes the yearly and cumulative VRR for Waskada Lower Amaranth Unit No. 1

Figure 4: Waskada Lower Amaranth Unit 1 Production and Injection Rate

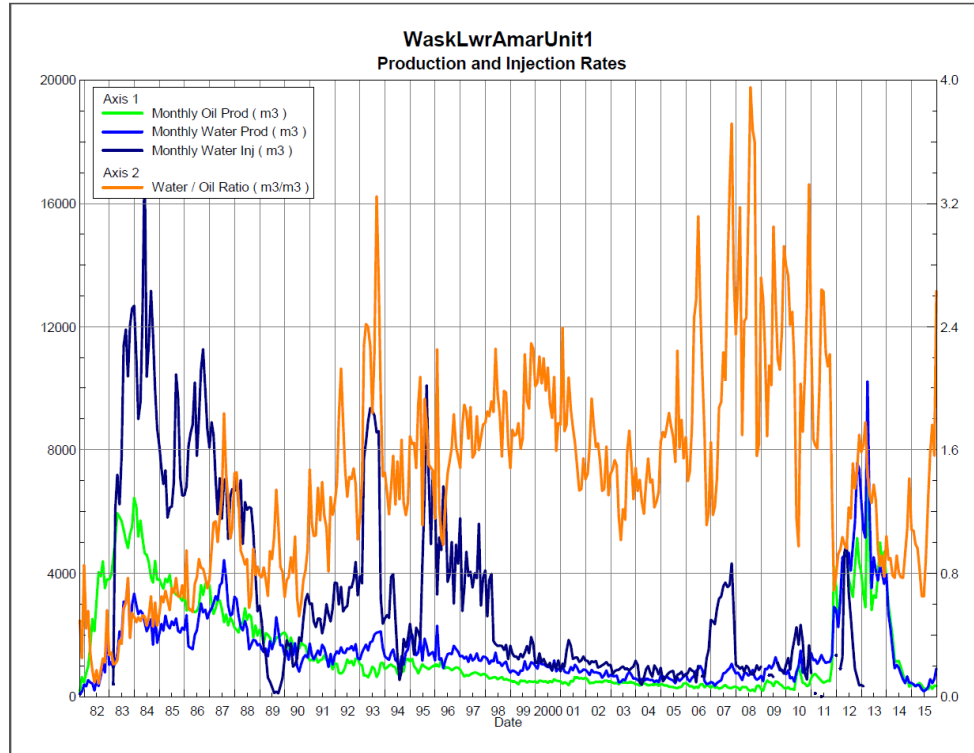


TABLE NO. 1: WASKADA LOWER AMARANTH UNIT NO. 1 WELL SUMMARY

UWI	Type	Status	On Prod Date	Cum Prd Oil (m3)	Cum Prd Water (m3)	Last Prod Date	Cum Inj Water (m3)	Last Inj Date
100/09-23-001-26W1/0	Vertical	Abandoned	8/12/1982	10673.1	32946	12/31/1990	0	
102/10-23-001-26W1/0	Vertical	Abandoned	6/19/1983	8664.8	16439.8	11/30/1992	0	
100/15-23-001-26W1/0	Vertical	Injection	2/22/1982	2958.1	789.6	9/30/1983	169248.1	5/31/2004
100/16-23-001-26W1/0	Vertical	Producing	11/2/1981	49579.3	44886.6	11/30/2013	0	
100/09-24-001-26W1/2	Vertical	Producing	12/11/1982	13547.2	18352.6	8/31/2011	0	
102/09-24-001-26W1/0	Horizontal	Producing	2/19/2012	5067.8	5809.6	12/31/2015	0	
103/09-24-001-26W1/0	Horizontal	Producing	2/18/2012	4082.5	3647.2	1/31/2015	0	
104/09-24-001-26W1/0	Horizontal	Producing	2/18/2012	4649	3121.6	12/31/2015	0	
100/10-24-001-26W1/0	Vertical	Producing	3/10/1982	5135.4	1650	11/30/2012	0	
102/10-24-001-26W1/0	Horizontal	Producing	2/19/2012	4527.6	6380.5	1/31/2015	0	
103/10-24-001-26W1/0	Horizontal	Producing	2/20/2012	4555.5	3075.2	12/31/2015	0	
104/10-24-001-26W1/0	Horizontal	Producing	4/24/2012	3308.5	3761.7	4/30/2014	0	
100/11-24-001-26W1/0	Vertical	Abandoned	3/12/1982	5111.4	740.5	10/31/1995	0	
100/12-24-001-26W1/2	Vertical	Comingled	12/16/1982	24642.8	23212.5	5/31/2008	0	
102/12-24-001-26W1/0	Horizontal	Producing	5/21/2010	2813.5	2234.6	4/30/2015	0	
102/13-24-001-26W1/0	Vertical	Injection	N/A	0	0		125434.2	11/30/2006
103/13-24-001-26W1/0	Horizontal	Producing	5/21/2010	5713.5	6388.3	10/31/2014	0	
100/14-24-001-26W1/0	Vertical	Producing	2/5/1982	14321.9	10382.1	4/30/2012	0	
100/15-24-001-26W1/0	Vertical	Injection	10/16/1981	3402.6	431.2	2/28/1983	129998.4	11/30/2006
102/16-24-001-26W1/0	Vertical	Abandoned	2/24/1982	12749.4	18033.7	5/31/2002	0	
103/16-24-001-26W1/2	Horizontal	Producing	11/12/2010	8182.8	14534.2	9/30/2014	0	
100/01-25-001-26W1/2	Vertical	Abandoned	5/7/1990	0.2	394.7	11/30/1990	0	
102/01-25-001-26W1/0	Vertical	Abandoned	1/17/1983	3356.5	15964	12/31/1990	0	
103/01-25-001-26W1/0	Horizontal	Producing	8/26/2013	1543.1	813.4	12/31/2015	0	
100/02-25-001-26W1/2	Vertical	Producing	12/13/1982	31503.2	5697.4	1/31/2014	0	
100/03-25-001-26W1/2	Vertical	Producing	12/14/1982	30270.5	11743.9	1/31/2013	0	
103/03-25-001-26W1/0	Horizontal	Producing	2/22/2013	3158.1	2776.7	4/30/2015	0	
104/03-25-001-26W1/0	Horizontal	Producing	2/22/2013	4931.6	3157	12/31/2015	0	
105/03-25-001-26W1/0	Horizontal	Producing	2/22/2013	1911.8	1158.8	12/31/2014	0	
100/04-25-001-26W1/2	Vertical	Comingled	11/14/1982	30711	5178.8	2/28/2013	0	
100/05-25-001-26W1/2	Vertical	Suspended	10/3/1981	3740.7	517.4	2/28/1983	344455	9/30/2012
100/06-25-001-26W1/0	Vertical	Producing	2/19/1982	45231.1	66047.8	12/31/2012	0	
102/06-25-001-26W1/0	Horizontal	Producing	2/22/2013	5141.7	8288.4	12/31/2015	0	
100/07-25-001-26W1/0	Vertical	Injection	6/25/1982	1959.5	608.2	2/28/1983	151191	5/31/2012
102/08-25-001-26W1/0	Vertical	Abandoned	2/18/1982	5790.2	1684.7	9/30/1995	0	
100/09-25-001-26W1/0	Vertical	Abandoned Zone	2/15/1982	4928.1	6496	2/28/1991	0	
102/09-25-001-26W1/0	Horizontal	Pumping	10/21/1994	9701.7	21294.2	7/31/2014	0	
103/09-25-001-26W1/0	Horizontal	Producing	2/19/2013	4312.7	3297	7/31/2015	0	
100/10-25-001-26W1/0	Vertical	Producing	6/15/1982	22200.8	10329	7/31/2013	0	
102/10-25-001-26W1/0	Horizontal	Producing	10/5/2012	1350.1	4147.5	1/31/2015	0	
103/10-25-001-26W1/0	Horizontal	Producing	4/24/2012	3642	2821.8	10/31/2014	0	
104/10-25-001-26W1/0	Horizontal	Producing	8/25/2012	5387.4	8212.6	12/31/2015	0	
105/10-25-001-26W1/0	Horizontal	Producing	8/27/2012	2015.8	1892.3	8/31/2014	0	
106/10-25-001-26W1/0	Horizontal	Producing	8/26/2012	3852.5	7473.4	4/30/2015	0	
100/11-25-001-26W1/0	Vertical	Producing	6/20/1982	22675.7	23917.9	11/30/2011	0	
102/11-25-001-26W1/0	Horizontal	Producing	10/26/2011	6090.1	3974.7	12/31/2015	0	
103/11-25-001-26W1/0	Horizontal	Producing	10/25/2011	6489.2	8244.9	12/31/2015	0	
104/11-25-001-26W1/0	Horizontal	Producing	3/10/2013	3815.4	6699	12/31/2015	0	
105/11-25-001-26W1/0	Horizontal	Producing	3/9/2013	2151.4	2361.3	12/31/2015	0	
100/12-25-001-26W1/0	Vertical	Abandoned	6/20/1982	16862.2	39232.8	3/31/1992	0	
100/13-25-001-26W1/0	Vertical	Injection	10/27/1982	343.6	241.8	12/31/1983	66694.8	12/31/2007
100/14-25-001-26W1/0	Vertical	Abandoned	12/2/1982	439.4	252.4	8/31/1989	0	
102/14-25-001-26W1/0	Horizontal	Producing	10/25/2011	2550.5	2235.7	10/31/2014	0	
103/14-25-001-26W1/0	Horizontal	Producing	10/25/2011	2807.6	3814.4	11/30/2014	0	
104/14-25-001-26W1/0	Horizontal	Producing	10/26/2011	3171.3	1700.4	10/31/2014	0	
100/15-25-001-26W1/0	Vertical	Injection	11/3/1982	467.2	136.2	9/30/1983	38585.7	10/31/2012
102/15-25-001-26W1/0	Horizontal	Producing	10/5/2012	1843.3	3810.9	12/31/2015	0	
103/15-25-001-26W1/0	Horizontal	Producing	10/5/2012	2845.8	5421.3	12/31/2015	0	
104/15-25-001-26W1/0	Horizontal	Producing	10/5/2012	2163.6	3753	12/31/2015	0	
100/16-25-001-26W1/0	Vertical	Producing	10/25/1982	3667.2	1630	9/30/2008	0	
180/16-25-001-26W1/0	Vertical	Producing	11/30/1997	1261.1	206.3	8/31/2012	0	
100/01-26-001-26W1/2	Vertical	Comingled	1/28/1982	32911.9	28723.6	5/31/2013	0	
100/02-26-001-26W1/0	Vertical	Comingled	2/12/1982	26498.7	21948.6	2/28/2011	0	
102/02-26-001-26W1/0	Horizontal	Producing	8/26/2013	4924.5	2901.1	12/31/2015	0	
103/02-26-001-26W1/0	Horizontal	Producing	8/23/2013	2691.4	2341.4	12/31/2015	0	
104/02-26-001-26W1/0	Horizontal	Producing	8/26/2013	3203.9	817.5	12/31/2015	0	
105/02-26-001-26W1/0	Horizontal	Producing	8/26/2013	2983	1317.5	12/31/2015	0	
100/07-26-001-26W1/0	Vertical	Injection	10/21/1982	2446.4	306.1	12/31/1983	140303.7	1/31/2013
100/08-26-001-26W1/0	Vertical	Producing	12/22/1981	37114.1	45497.1	4/30/2013	0	
				612745.5	618298.4			
							1165910.9	

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	1293	1292.900	647	647.200	0.50		0.000	0.000	0.000
12/31/1982	34589	35881.800	8564	9211.400	0.25		0.000	0.000	0.000
12/31/1983	63455	99337.000	26801	36012.200	0.42	98755	98755.000	0.990	0.657
12/31/1984	55295	154631.500	28617	64629.100	0.52	132955	231710.100	1.442	0.956
12/31/1985	41787	196418.400	27555	92183.900	0.66	86897	318606.900	1.149	1.002
12/31/1986	37496	233914.700	28006	120190.100	0.75	107802	426408.700	1.516	1.096
12/31/1987	32268	266183.100	39340	159530.100	1.22	82230	508638.200	1.076	1.092
12/31/1988	28003	294186.200	25126	184656.200	0.90	64867	573504.700	1.131	1.097
12/31/1989	23117	317302.800	20406	205062.400	0.88	9366	582871.100	0.199	1.023
12/31/1990	19472	336775.100	16000	221062.000	0.82	24156	607027.400	0.629	0.998
12/31/1991	13902	350676.600	16050	237111.700	1.15	31802	638829.200	0.993	0.998
12/31/1992	12342	363018.400	17729	254840.400	1.44	41247	680076.500	1.292	1.012
12/31/1993	10180	373198.600	20905	275745.800	2.05	81517	761593.600	2.500	1.080
12/31/1994	11592	384791.000	15873	291618.700	1.37	26062	787655.100	0.892	1.073
12/31/1995	11593	396384.300	18340	309958.200	1.58	56183	843837.700	1.774	1.102
12/31/1996	11489	407873.600	16992	326950.000	1.48	57114	900951.600	1.891	1.132
12/31/1997	8731	416604.100	15108	342057.500	1.73	46833	947784.600	1.862	1.154
12/31/1998	7120	423723.900	13147	355204.900	1.85	24871	972655.400	1.166	1.155
12/31/1999	5829	429552.900	11053	366257.500	1.90	17130	989785.200	0.965	1.151
12/31/2000	5998	435550.400	11740	377997.200	1.96	12856	1002640.800	0.690	1.141
12/31/2001	6356	441906.600	10508	388505.100	1.65	15584	1018224.900	0.875	1.136
12/31/2002	5846	447752.100	9016	397521.000	1.54	12815	1031039.500	0.814	1.130
12/31/2003	5399	453151.000	7476	404996.800	1.38	10947	1041986.900	0.800	1.125
12/31/2004	4779	457930.200	6511	411507.900	1.36	9381	1051367.800	0.781	1.121
12/31/2005	4146	462076.100	7149	418656.800	1.72	8353	1059720.300	0.701	1.115
12/31/2006	4094	466170.200	7752	426408.800	1.89	11382	1071102.700	0.913	1.113
12/31/2007	3775	469945.500	8308	434716.400	2.20	36593	1107696.000	2.893	1.136
12/31/2008	3227	473172.000	8271	442987.800	2.56	10750	1118445.800	0.897	1.133
12/31/2009	4682	477853.600	10885	453872.800	2.33	6697	1125142.900	0.412	1.121
12/31/2010	5692	483545.500	11078	464950.600	1.95	17244	1142387.200	0.978	1.119
12/31/2011	14014	497559.200	17602	482552.200	1.26	1465	1143852.100	0.043	1.084
12/31/2012	47697	545256.400	59593	542145.400	1.25	21723	1165574.900	0.190	0.997
12/31/2013	49006	594262.100	58552	600697.200	1.19	336	1165910.900	0.003	0.908
12/31/2014	14461	608723.000	12651	613347.800	0.87		1165910.900	0.000	0.888
12/31/2015	4023	612745.500	4951	618298.400	1.23		1165910.900	0.000	0.881

TABLE NO. 3

**Tundra Oil and Gas
Waskada Lower Amaranth Unit No. 1
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. 1 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. 1 Total:				
	1981	0	0	0.00
	1982	0	0	0.00
	1983	0	293.45	8,977.73
	1984	0	362.96	11,079.59
	1985	0	238.1	7,241.40
	1986	0	295.4	8,983.48
	1987	0	225.6	6,852.46
	1988	0	177.2	5,405.54
	1989	0	25.8	780.53
	1990	0	66.1	2,013.03
	1991	0	87.1	2,650.15
	1992	0	112.6	3,437.28
	1993	0	224.0	6,793.09
	1994	0	71.6	2,171.79
	1995	0	153.3	4,681.88
	1996	0	156.1	4,759.49
	1997	0	128.4	3,902.75
	1998	0	68.5	2,072.57
	1999	0	46.9	1,427.48
	2000	0	35.2	1,071.30
	2001	0	42.7	1,298.68
	2002	0	35.1	1,067.88
	2003	0	30.0	912.28
	2004	0	25.6	781.74
	2005	0	22.9	696.04
	2006	0	34.1	1,034.76
	2007	0	100.2	3,049.44
	2008	0	29.4	895.82
	2009	0	27.4	837.14
	2010	0	47.1	1,437.03
	2011	0	15.9	488.30
	2012	0	64.8	1,974.80
	2013	0	10.8	336.00
	2014	0	0.0	0.00
	2015	0	0.0	0.00
Group Totals:				99,111.45

TABLE NO. 4

Tundra Oil and Gas
Waskada Lower Amaranth Unit No. 1
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	13,063	12.23	379	13.14	407	1	18
Feb-15	11,580	12.21	342	12.07	338	1	17
Mar-15	12,869	12.91	400	12.41	385	1	17
Apr-15	12,174	14.92	448	12.30	369	1	17
May-15	10,891	11.87	368	7.73	240	1	15
Jun-15	8,827	8.86	266	5.76	173	1	12
Jul-15	8,448	8.11	252	7.35	228	1	11
Aug-15	7,488	7.88	244	10.07	312	1	10
Sep-15	8,112	11.98	359	18.95	569	2	11
Oct-15	9,144	8.07	250	14.22	441	2	12
Nov-15	10,488	12.22	367	19.09	573	2	15
Dec-15	10,992	11.23	348	29.58	917	3	15
	124,076		4,023		4,951		

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
31/12/1981	3336	14.13	431	7.02	216	0.53	1
31/12/1982	124056	94.50	2,882	23.55	714	0.27	14
31/12/1983	220584	173.83	5,288	73.22	2233	0.42	25
31/12/1984	197112	151.14	4,608	78.16	2385	0.52	23
31/12/1985	193791	114.55	3,482	75.51	2296	0.66	22
31/12/1986	193951	102.74	3,125	76.56	2334	0.74	22
31/12/1987	185702	88.48	2,689	107.74	3278	1.23	21
31/12/1988	166848	76.45	2,334	68.74	2094	0.91	19
31/12/1989	158640	63.33	1,926	55.87	1701	0.89	18
31/12/1990	178128	53.35	1,623	43.79	1333	0.84	20
31/12/1991	156816	38.10	1,158	43.96	1337	1.16	18
31/12/1992	154320	33.70	1,028	48.43	1477	1.48	18
31/12/1993	143064	27.88	848	57.27	1742	2.14	16
31/12/1994	150888	31.79	966	43.48	1323	1.38	17
31/12/1995	153864	31.78	966	50.25	1528	1.59	18
31/12/1996	139248	31.40	957	46.39	1416	1.49	16
31/12/1997	134544	23.92	728	41.40	1259	1.73	15
31/12/1998	127416	19.51	593	36.03	1096	1.84	15
31/12/1999	104040	15.98	486	30.27	921	1.90	12
31/12/2000	112608	16.40	500	32.14	978	1.96	13
31/12/2001	114408	17.40	530	28.78	876	1.69	13
31/12/2002	114720	16.01	487	24.70	751	1.55	13
31/12/2003	111096	14.80	450	20.50	623	1.39	13
31/12/2004	99168	13.05	398	17.78	543	1.37	11
31/12/2005	96168	11.37	345	19.60	596	1.73	11
31/12/2006	108911	11.21	341	21.20	646	1.92	12
31/12/2007	100,681	10.34	315	22.71	692	2.23	12
31/12/2008	110,688	8.81	269	22.60	689	2.73	13
31/12/2009	121,804	12.84	390	29.86	907	2.39	14
31/12/2010	119,128	15.56	474	30.28	923	2.17	14
31/12/2011	108,046	38.40	1,168	48.24	1467	1.80	12
31/12/2012	193,115	130.35	3,975	162.77	4966	1.24	22
31/12/2013	267,446	134.15	4,084	160.53	4879	1.22	30
31/12/2014	234,400	39.87	1,205	34.90	1054	0.93	27
31/12/2015	124,076	11.04	335	13.56	413	1.24	14
	5,022,811		51,385		51,687		