

June 26, 2026

Sent Via e-mail: Directive54@aer.ca

Attention: Alberta Energy Regulator

Re: *Oil Sands Conservation Act* Annual Report – 2025 Reporting Year

INTRODUCTION

Athabasca Oil Corporation (Athabasca) provides the enclosed information to address the requirement for an *Oil Sands Conservation Act* (OSCA) Annual Report in accordance with Approval No. 10935 section 20 and includes the information specified in Table 1.

SUBSURFACE INFORMATION

1. Geological, geomechanical and reservoir data for reservoir evaluation of new drainage patterns

During the reporting year there have been no new drainage patterns added to the Leismer Development Area that have not been fully delineated and approved by the Alberta Energy Regulator (AER). Drainage areas LC and LD (Application No. 1938236; Approval 10935CC (July 2022)) were renamed L11 and L10 respectively and the drainage areas were modified with longer well lengths as shown in Figure 1-1.

The development of L10 has occurred over 3 phases; L10S (south), L10M (mid) and L10N (north). L10S (4 pairs) has been drilled and is producing. Production for 2025 has been reported in the D054 Performance Report. L10M (6 pairs) finished drilling in 2026. Start-up of these well pairs will also be in 2026.

The development of L11 has occurred over 2 phases; L11S (south) and L11N (north). L11S (6 pairs) were drilled in 2025 and will commence steam injection in 2026.

All maps found in Leismer D054 Performance Report show the updated drainage areas. Figure 1-1 shows an outline of the current approved drainage areas vs. the updated drainage areas. A summary of the updated reservoir properties is shown in Table 1-1. Reservoir Properties for the drilled phases can be found on slide 13 of the D054 Performance Report.

Figure 1-1 GBIP Map with Updated Drainage Areas

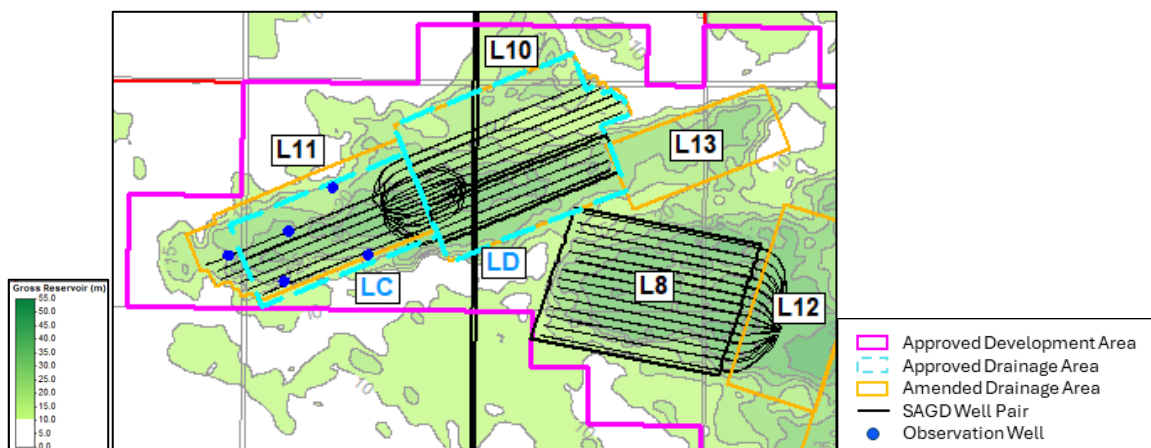


Table 1-1 Leismer Reservoir Properties

Pad	Well Pairs	Lateral Length (m)	Drainage Length (m)	Lateral Spacing (m)	GBIP Oil Saturation (frac)	GBIP Porosity (frac)	GBIP Net Pay (m)	GBIP / OBIP (10 ³ m ³)
L10 (LD)	15	1,450	1,550	70	0.84	0.35	21.1	9,352
L11 (LC)	10	1,450	1,550	70	0.83	0.34	24.4	7,657

2. Updated time series pressure charts for the 05-08 ghosthole monitoring network

Pressure monitoring for the Lower Grand Rapids is provided as Figure 2-2 and the Clearwater pressure monitoring as Figure 2-3.

3. Technical summary of wellbore integrity issues and individual well workovers and recompletions

During the reporting year there were no well integrity incidents.

Athabasca completed 22 well workovers and 3 recompletions. Well workovers consisted of downhole pump (ESPs) replacements (16) and initial completions on Pad L1 redrills (6). Recompletions were for new producer wells on Pad L10 (3). Three additional coil tubing recompletions (no service rig) were performed at L10 on injectors.

4. Summary of injection for non-condensable gas co-injection for all drainage areas

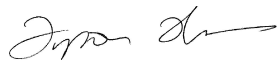
A summary of non-condensable gas injection for all Leismer drainages is provided on slide 14 of the Leismer D054 Performance Report for the 2025 reporting year.

SURFACE INFORMATION

5. Infrastructure changes during the reporting year that materially alter the energy or material balances

There have been no changes during the reporting year relevant to this requirement.

Sincerely,



Tyson Thorne, P.Eng
Director Thermal Development and Production
Athabasca Oil Corporation

Figure 2-1 Ghosthole Pressure Monitoring

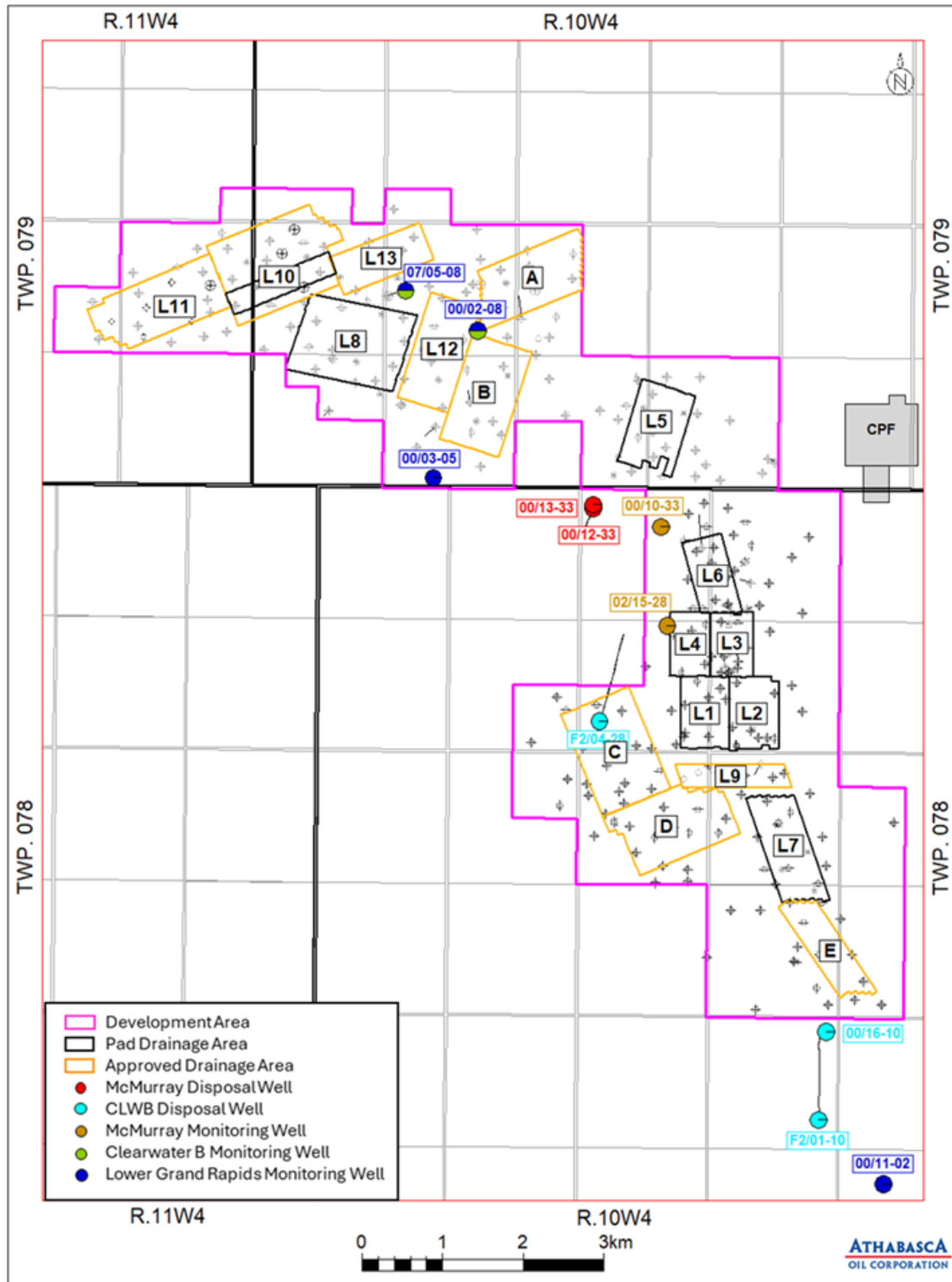


Figure 2-2 Lower Grand Rapids Pressure Monitoring

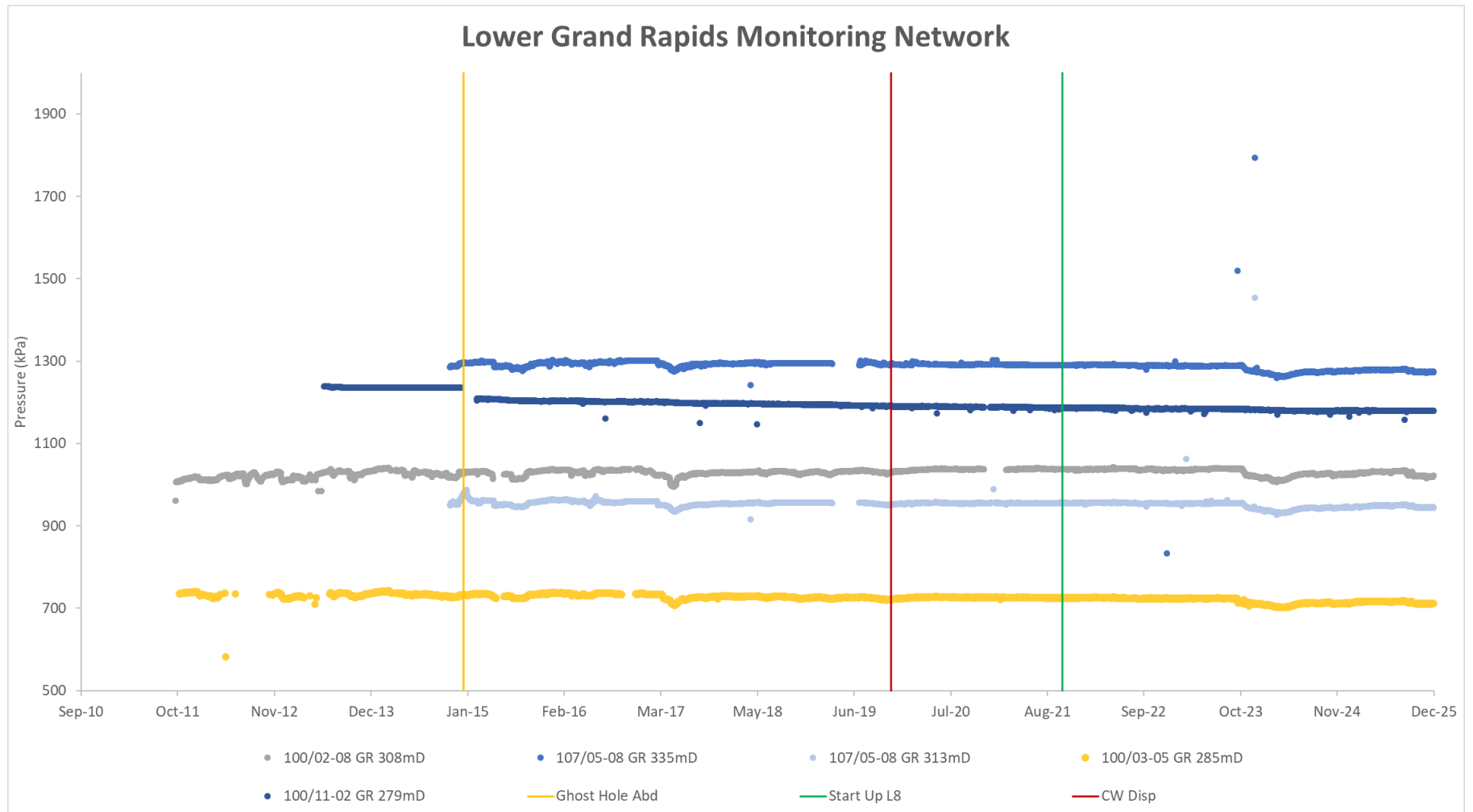


Figure 2-3 Clearwater Pressure Monitoring

