

**APPENDIX A  
FORM NI 51-101F1**

**STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION**

**CANADIAN OVERSEAS PETROLEUM LIMITED  
The "Reporting Issuer" or "the Corporation"**

**For fiscal Year Ended December 31, 2020**

This is the form referred to in item 1 of section 2.1 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"). Terms for which a meaning is given in NI 51-101 have the same meaning in this Form 51-101F1.

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**PART 1        DATE OF STATEMENT**

**Item 1.1       Relevant Dates**

1. The date of this report and statement is: April 19, 2021.
2. The effective date of information provided in this statement is as of the Corporation's most recently completed fiscal year ended: December 31, 2020.
3. The date of preparation of the information provided herein is: April 1, 2021.

## Part 2 – Disclosure of Reserves Data

The tables contained in this file are a summary of the oil, natural gas and natural gas liquids reserves and the value of future net revenue of Canadian Overseas Petroleum Limited (the “**Corporation**” or “**COPL**”) interests in the Barron Flats and Cole Creek assets in Wyoming, USA. This file is based on the report as evaluated by Ryder Scott Petroleum Consultants (“**Ryder Scott**”) effective as at December 31, 2020 “Estimated Projection of Future Reserves and Income Attributable to Certain Leasehold Interests, Escalated Parameters as of December 31, 2020” for Canadian Overseas Petroleum Limited (“**COPL**”), dated April 1, 2021, (the “**Reserves Report**”). Ryder Scott is an independent qualified reserves evaluator and auditor.

The Reserves Report evaluated the reserves of COPL, an oil, natural gas and natural gas liquids producing company, in Wyoming, United States. The assets of COPL evaluated in the Reserves Reports are a portion of the reserves of COPL and the tables below show the reserves and discounted cashflow values for the company’s interests in the State of Wyoming, USA, as represented by Ryder Scott.

It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to COPL’s reserves estimated by Ryder Scott represent the fair market value of those reserves. The recovery and reserve estimates of COPL’s oil, natural gas and natural gas liquids reserves provided are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided.

Certain information provided in this document are excerpts from a Ryder Scott report (dated December 31, 2020) and provided here in summary form for your convenience. This information remains subject to the assumptions, limitations and conditions discussed in the full and complete report, including tables, charts and any appendices.

In preparing their reports, Ryder Scott relied upon certain factual information and data furnished by COPL with respect to ownership interests, oil, natural gas and natural gas liquids production, historical costs of operation and development, product prices, agreements relating to current and future operations, sales of production, and other relevant data. The extent and character of all factual information and data supplied were relied upon by Ryder Scott in preparing their report and was accepted as represented without independent verification. Ryder Scott relied upon representations made by the Corporation as to the completeness and accuracy of the data provided and that no material changes in the performance of the properties has occurred nor is expected to occur, from that which was projected in their reports, between the date that the data was obtained for their evaluations and the date of their report, and that no new data has come to light that may result in a material change to the evaluation of the reserves presented in this Summary.

The evaluations were conducted within Ryder Scott’s understanding of petroleum legislation, taxation and other regulations that currently apply to these interests. However, Ryder Scott is not in a position to and did not attest to the property title, financial interest relationships or encumbrances related to the Corporation’s licenses.

The evaluations in the Reserves Reports reflect Ryder Scott’s informed judgment based on the Canadian Oil and Gas Evaluation Handbook Standards but is subject to generally recognized uncertainties associated with the interpretation of geological, geophysical and engineering data. The reported hydrocarbon reserves volumes are estimates based on professional engineering judgment and are subject to future revision, upward or downward, because of future operations or as additional information becomes available.

The following tables are prepared from information contained in Ryder Scott’s COPL Report as of December 31, 2020. Some of the numbers in the following tables may not appear to sum to the stated totals because of rounding in the source tables.

**Reserves Data – Breakdown of Reserves**

**Table 2.1(1)a: SUMMARY OF CRUDE OIL, NATURAL GAS AND NATURAL GAS LIQUIDS RESERVES  
BASED ON FORECAST PRICES AND COSTS  
AS AT DECEMBER 31, 2020**

<b>UNITED STATES</b>	<b>LIGHT/MEDIUM OIL</b>		<b>NATURAL GAS</b>		<b>NATURAL GAS LIQUIDS</b>		<b>BOE EQUIVALENTS <sup>(1)</sup></b>	
	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>
	<b>(Mbbbl)</b>	<b>(Mbbbl)</b>	<b>(MMscf)</b>	<b>(MMscf)</b>	<b>(Mbbbl)</b>	<b>(Mbbbl)</b>	<b>(MBOE)</b>	<b>(MBOE)</b>
	<b><u>RESERVES CATEGORY <sup>(2)</sup></u></b>							
PROVED								
Developed Producing	6,995.06	5,406.33	2,963	2,963	441.72	441.72	7,930.57	6,341.84
Developed Non-Producing	98.75	74.57	-	-	-	-	98.75	74.57
Undeveloped	6,294.37	4,861.86	2504	2,138	372.80	318.08	7,084.53	5,536.23
<b>TOTAL PROVED</b>	<b>13,388.17</b>	<b>10,342.75</b>	<b>5,467</b>	<b>5,101</b>	<b>814.52</b>	<b>759.80</b>	<b>15,113.84</b>	<b>11,952.63</b>
PROBABLE	12,717.15	9,822.36	4,724	3,976	703.82	592.116	14,208.27	11,077.10
<b>TOTAL PROVED PLUS PROBABLE</b>	<b>26,105.32</b>	<b>20,165.12</b>	<b>10,191</b>	<b>9,076</b>	<b>1,518.34</b>	<b>1,351.92</b>	<b>29,322.11</b>	<b>23,029.73</b>

Notes:

- (1) See information related to BOE conversion ratio on page 20 of this document
- (2) See definitions of "proved and "probable reserves on page 7 of this document
- (3) Gross volumes are company working interest volumes

**Reserves Data – Net Present Value of Future Net Revenue**

**Table 2.1(2)a: SUMMARY OF NET PRESENT VALUES  
OF FUTURE NET REVENUE BASED ON FORECAST PRICES AND COSTS  
AS AT DECEMBER 31, 2020**

UNITED STATES	BEFORE INCOME TAX (MM\$) <sup>2</sup>					AFTER INCOME TAX (MM\$) <sup>2</sup>					UNIT VALUE <sup>1</sup> BEFORE INCOME TAX DISCOUNTED AT 10%
	0%	5%	10%	15%	20%	0%	5%	10%	15%	20%	(\$/BOE) <sup>4</sup>
	<u>RESERVES CATEGORY<sup>3</sup></u>										
PROVED											
Developed Producing	162.54	98.25	66.06	47.99	36.83	127.87	77.26	51.61	37.15	28.13	10.42
Developed Non-Producing	0.47	0.40	0.31	0.23	0.16	0.37	0.31	0.24	0.18	0.12	4.19
Undeveloped	117.02	63.62	35.51	19.47	9.75	92.06	50.03	27.74	15.07	7.45	6.41
<b>TOTAL PROVED</b>	<b>280.03</b>	<b>162.27</b>	<b>101.88</b>	<b>67.69</b>	<b>46.74</b>	<b>220.30</b>	<b>127.60</b>	<b>79.60</b>	<b>52.40</b>	<b>35.70</b>	<b>8.52</b>
PROBABLE	308.14	148.94	79.66	45.42	26.90	242.90	116.80	61.80	34.60	20.00	7.19
<b>TOTAL PROVED PLUS PROBABLE</b>	<b>588.18</b>	<b>311.21</b>	<b>181.54</b>	<b>113.12</b>	<b>73.63</b>	<b>463.20</b>	<b>244.40</b>	<b>141.40</b>	<b>87.00</b>	<b>55.70</b>	<b>7.88</b>

Notes:

- (1) The unit values are based on net reserves
- (2) All values are presented in United States Dollars (USD)
- (3) See definitions of "proved" and "probable" reserves on page 7 of this document
- (4) See information related to BOE conversion ratio on page 20 of this document

**Table 2.1(3)a TOTAL FUTURE NET REVENUE (UNDISCOUNTED)  
AS AT DECEMBER 31, 2020  
FORECASTS PRICES AND COSTS**

<b>UNITED STATES</b>								
	<b>REVENUE</b>	<b>ROYALTIES AND BURDENS</b>	<b>OPERATING COSTS</b>	<b>DEVELOPMENT COSTS</b>	<b>ABANDONMENT AND RECLAMATION COSTS<sup>3</sup></b>	<b>FUTURE NET REVENUE BEFORE INCOME TAXES</b>	<b>INCOME TAXES</b>	<b>FUTURE NET REVENUE AFTER INCOME TAXES</b>
	<b>(MM\$<sup>(1)</sup>)</b>	<b>(MM\$<sup>(2)</sup>)</b>	<b>(MM\$)</b>	<b>(MM\$)</b>	<b>(MM\$)</b>	<b>(MM\$)</b>	<b>(MM\$)</b>	<b>(MM\$)</b>
<b><u>RESERVES CATEGORY<sup>3</sup></u></b>								
PROVED								
Developed Producing	443.36	136.26	140.80	0.69	3.07	162.54		
Developed Non-Producing	5.55	1.85	2.02	0.96	0.25	0.47		
Undeveloped	407.41	128.05	87.44	72.40	2.49	117.02		
<b>TOTAL PROVED</b>	<b>856.32</b>	<b>266.16</b>	<b>230.26</b>	<b>74.05</b>	<b>5.81</b>	<b>280.03</b>		
PROBABLE	868.20	273.48	155.86	128.16	2.58	308.15		
<b>TOTAL PROVED PLUS PROBABLE</b>	<b>1,724.52</b>	<b>539.64</b>	<b>386.12</b>	<b>202.21</b>	<b>8.39</b>	<b>588.18</b>		

Notes:

- (1) All values are presented in United States Dollars (USD)
- (2) Royalties and Burdens include Ad Valorem and Production Taxes
- (3) Abandonment and Reclamation costs presented in this table are for all evaluated properties, including shut-in or suspended wells and facilities in those properties.

**Table 2.1(4) FUTURE NET REVENUE BY PRODUCT TYPE  
BASED ON FORECAST PRICES AND COSTS  
AS AT DECEMBER 31, 2020**

<b>TOTAL</b>		<b>FUTURE NET REVENUE BEFORE INCOME TAXES (DISCOUNTED AT 10% /YEAR)</b>	<b>UNIT VALUE NET RESERVE BASIS (\$/MCFe FOR NATURAL GAS) (\$/BBL FOR CRUDE OIL AND NATURAL GAS LIQUIDS (\$/BOE FOR TOTALS)</b>
	<b>PRODUCTION GROUP</b>	<b>(MM\$)</b>	
<b><u>RESERVES CATEGORY</u> (1)</b>			
<b>Proved</b>	Light and Medium Crude Oil (including Solution Gas and Products)	104.926	9.09
	Conventional Natural Gas (Including Solution Gas and Products)	(3.044)	(1.30)
	<b>Total</b>	<b>101.883</b>	<b>8.81</b>
<b>Proved + Probable</b>	Light and Medium Crude Oil (including Solution Gas and Products)	191.733	8.33
	Conventional Natural Gas (Including Solution Gas and Products)	(10.192)	(442.32)
	<b>Total</b>	<b>181.542</b>	<b>7.52</b>

Notes:

- (1) See definitions of "proved" and "probable" reserves on page 7 of this document
- (2) See information related to BOE conversion ratio on page 20 of this document

**OIL AND GAS RESERVES AND NET PRESENT VALUES BY PRODUCTION GROUP  
BASED ON FORECAST PRICES AND COSTS  
AS AT DECEMBER 31, 2020**

Notes:

1. "Gross Reserves" are the Corporation's working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the Corporation. "Net Reserves" are the Corporation's working interest (operating or non-operating) share after deduction of royalty obligations, plus the Corporation's royalty interests in reserves.
2. "Proved" reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. There is a 90% probability that the actual remaining quantities recovered will exceed the estimated proved reserves.
3. "Probable" reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
4. "Possible" reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.
5. "Developed" reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production.
6. "Developed Producing" reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
7. "Developed Non-Producing" reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.
8. "Undeveloped" reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserve classification (Proved, Probable, Possible) to which they are assigned.

### **Part 3 – Pricing Assumptions**

The following tables detail the benchmark reference prices, for the COPL assets in which COPL operated as at December 31, 2020, reflected in the reserves data disclosed above under “Part 2 - Disclosure of Reserves Data”. At the request of COPL, future hydrocarbon price parameters used in the reserve report reflect the future oil and natural gas price forecasts as published by Ryder Scott.

The table below summarizes the “benchmark prices” at the price reference point and the 2020 realized prices used for the geographic area included in the Ryder Scott report. Values are represented in United States currency.

<b>Geographic Area</b>	<b>Product</b>	<b>Average Benchmark Prices</b>	<b>Average Realized Prices</b>
Wyoming	Crude Oil <sup>(1)</sup>	\$48.25/bbl	\$44.30/bbl
	Natural Gas <sup>(1)</sup>	\$ 2.54/Mcf	\$ 2.42/Mcf
	NGL Blend <sup>(1)</sup>	\$20.27/bbl	\$21.23/bbl

Notes:

(1) Prices originate in US dollars

**Item 3.1 – No Constant Prices used for this evaluation**



**Table 3.2: SUMMARY OF PRICING AND INFLATION RATE ASSUMPTIONS  
FORECAST PRICES AND COSTS AS AT DECEMBER 31, 2020**

WYOMING, UNITED STATES USD					
Year	WTI @ Cushing	Mont Belvieu Propane	Brent North Sea Blend	Nymex @ Henry	Colorado Interstate
	\$/bbl	\$/bbl	\$/bbl	\$/MMBTU	\$/MMBTU
2021	48.25	20.27	51.15	2.80	2.54
2022	51.00	21.42	54.06	2.82	2.56
2023	54.00	22.68	57.24	2.85	2.59
2024	57.00	23.94	60.42	2.90	2.64
2025	58.50	24.57	62.01	3.00	2.74
2026	60.00	25.20	63.60	3.05	2.79
2027	61.00	25.62	64.66	3.15	2.88
2028	62.00	26.04	65.72	3.21	2.95
2029	63.50	26.67	67.31	3.28	3.01
2030	65.50	27.51	69.43	3.34	3.07
2031	67.00	28.14	71.02	3.41	3.14
2032	68.34	28.70	72.44	3.48	3.21
2033	69.71	29.28	73.89	3.55	3.28
2034	71.10	29.86	75.37	3.62	3.34
2035	72.52	30.46	76.87	3.69	3.42
2036	73.97	31.07	78.41	3.76	3.49
2037	75.45	31.69	79.98	3.84	3.56
2038	76.96	32.32	81.58	3.92	3.64
2039+			No Further Escalation		

**Part 4 – Reconciliation of Changes in Reserves**

The following table sets forth a reconciliation of the changes in the Corporation’s gross reserves as at December 31, 2019 against such reserves as at December 31, 2020 based on the forecast price and cost assumptions stated on pages 14 and 15 of this document.

**Table 4.1a: RECONCILIATION OF COMPANY GROSS RESERVES BY PRINCIPAL PRODUCT TYPE BASED ON FORECAST PRICES AND COSTS AS AT DECEMBER 31, 2020**

UNITED STATES	Light and Medium Oil			NGL/Condensate			Associated and Non-Associated Gas		
	Gross Proved	Gross Probable	Gross Proved + Probable	Gross Proved	Gross Probable	Gross Proved + Probable	Gross Proved	Gross Probable	Gross Proved + Probable
	(Mbbbl)	(Mbbbl)	(Mbbbl)	(Mbbbl)	(Mbbbl)	(Mbbbl)	(MMscf)	(MMscf)	(MMscf)
31-Dec-19	-	-	-	-	-	-	-	-	-
Extensions and Improved Recovery	-	-	-	-	-	-	-	-	-
Workovers/Interventions	-	-	-	-	-	-	-	-	-
Infill Drilling	-	-	-	-	-	-	-	-	-
Technical Revisions	-	-	-	-	-	-	-	-	-
Discoveries	-	-	-	-	-	-	-	-	-
Acquisitions	13,388.17	12,717.15	26,105.32	814.52	703.82	1518.34	5,467	4,724	10,191
Dispositions	-	-	-	-	-	-	-	-	-
Economic Factors	-	-	-	-	-	-	-	-	-
Production	-	-	-	-	-	-	-	-	-
31-Dec-20	13,388.17	12,717.15	26,105.32	814.52	703.82	1518.34	5,467	4,724	10,191

Notes:

(1) See definitions of “Proved” and “Probable” Reserves on page 7 of this document

## **Part 5 – Additional Information Relating to Reserves Data**

### **5.1 Undeveloped Reserves** (all volumes reported in this section are for COPL's working interest)

Undeveloped reserves are attributed by Ryder Scott Canada in accordance with standards and procedures contained in the COGE Handbook. COPL attributes Proven or Probable Undeveloped Reserves on the basis of those Reserves expected to be recovered from known accumulations where significant expenditure (for example when compared to the cost of drilling a well) is required to render them capable of production. "Proved" Reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. "Probable" Reserves are those additional Reserves that are less certain to be recovered than Proved Reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated Proved plus Probable Reserves. COPL's plans for development of its Proved Undeveloped Reserves (PUDs) and its Probable Undeveloped Reserves (PROBs) are outlined in the below sections.

#### **UNITED STATES (BFU) - FUTURE DEVELOPMENT**

The Barron Flats property produces from the BFU Shannon Oil Pool. Over a large portion of the pool, miscible gas flooding is currently underway, a project which received regulatory approval in 2019. As of December 31, 2020, Phase 1 of the Miscible Flood Recovery Scheme is substantially online, with eight operational injection wells and thirty-two operational producing wells within the BFU Gas Flood area. As well, most of the required large equipment purchases for purposes of gas flood operations have already occurred.

Development completed by the end of 2020 within the BFU Gas Flood area consisted of converting the BFU 24-20V well to an injector during the month of December. This injector began operation during December 2020.

The client has plans for an additional drilling of 37 wells within the Shannon pool starting in January 2022. Based on the proposed development schedule provided by the client, and net pay mapping completed by Ryder Scott, 24 new locations were included as proved undeveloped reserves, and 13 additional locations were assigned probable undeveloped reserves.

Based on information provided by the client at the time of report compilation, Ryder Scott has estimated the drilling schedule and scheduled future drilling in accordance with that schedule and our reserve categorization. It is recognized that the client may have plans to modify the timing of the well drilling (space out the drilling over 2022 and 2023) and the assumed schedule may change. Generally speaking, capital is forecast to be invested one month prior to the online date.

#### **UNITED STATES (COLE CREEK) - FUTURE DEVELOPMENT**

COPL plans to drill 48 new horizontal wells in the Dakota and Frontier 2 pools; this is comprised of 17 proved undeveloped locations and 31 probable undeveloped locations. In the near term, COPL plans to drill 1 Dakota horizontal oil well and 1 Frontier 2 horizontal oil wells in 2021, followed by 1 Dakota and 3 Frontier 2 horizontal oil wells in 2022. Ryder Scott has based these assumptions on information provided by the client at the time of report compilation and recognizes that the plan and timing schedule could change. There are currently 9 producers in the Cole Creek field.

In 2021, COPL is also planning four or more Frontier 2 uphole recompletions/stimulations of existing wellbores. These are expected to come on production between September and November 2021.

## **5.2 Significant Factors or Uncertainties Affecting Reserves Data**

The estimation of Reserves requires significant judgment and decisions based on available geological, geophysical, engineering and economic data. These estimates can change substantially as additional information from ongoing development activities and production performance becomes available and as economic and political conditions impact oil and gas prices and costs change. The Corporation's estimates are based on current production forecasts, prices and economic conditions. All of the Corporation's Reserves are evaluated by Ryder Scott, an independent engineering firm. As circumstances change and additional data becomes available, reserve estimates also change. Based on new information, reserves estimates are reviewed and revised, either upward or downward, as warranted. Although every reasonable effort has been made by the Corporation to ensure that Reserves estimate are accurate, revisions may arise as new information becomes available. As new geological, production and economic data is incorporated into the process of estimating reserves, the accuracy of the reserve estimate improves.

Certain information regarding the Corporation set forth in this report, including management's assessment of the Corporation's future plans and operations contain forward looking statements that involve substantial known and unknown risks and uncertainties. These risks include, but are not limited to the risks associated with the oil and gas industry, commodity prices and exchange rates; industry related risks that could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans; risks associated with the uncertainty of reserve estimates; health and safety risk; and the uncertainty of estimates and projections of production, costs and expenses. Competition from other producers, the lack of available qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources are additional risks the Corporation faces in this market. The Corporation's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, and if any of them do, what benefits the Corporation may derive therefrom. The reader is cautioned not to place undue reliance on this forward-looking information.

The Corporation anticipates that any future exploration and development costs associated with its Reserves will be financed through combinations of internally generated cashflow, debt and/or equity financing.

**Information Concerning Abandonment and Reclamation Costs**

The estimated Abandonment, Decommissioning and Reclamation (ADR) costs presented in this table are for all evaluated properties, including shut-in or suspended wells and facilities in those properties. These costs are based on discussions with COPL’s engineering personnel who, in turn, evaluated information provided by field and technical personnel with experience in the oil and gas basins in which the company operates. The Corporation expects to incur zero ADR costs in 2020. All future abandonment and reclamation costs are deducted in determining Future Net Revenues. ADR costs for all evaluated properties included in the Ryder Scott Reserve Report have been included in the tables below.

**Table 5.2: FUTURE ABANDONMENT AND RECLAMATION COSTS**

Year	Total Proved Estimated Using Forecast Prices and Costs <sup>(1)</sup> (Undiscounted) (MM\$)	Total Proved Plus Probable Estimated Using Forecast Prices and Costs <sup>(1)</sup> (Undiscounted) (MM\$)
2021	0.14	0.14
2022	0.19	0.19
2023	0.04	0.04
Total for three years	0.37	0.37
Remainder	5.44	8.02
Total for all years	5.81	8.39

Notes:

(1) Costs reflect well abandonments for entities forecast in the reserve report, plus Abandonment, Decommissioning, and Reclamation (ADR) Costs for non-reserve wells and facilities.

### **Future Development Costs**

The following table shows the development costs anticipated in the next five years, which have been deducted in the estimation of the future net revenues of the proved and probable reserves.

**Table 5.3: FUTURE DEVELOPMENT COSTS  
AS OF DECEMBER 31, 2020  
FORECAST PRICES AND COSTS**

Year	UNITED STATES	
	Proved Reserves MM\$	Proved plus Probable Reserves MM\$
2021	3.3	3.3
2022	20.6	32.1
2023	13.4	21.4
2024	5.4	5.4
2025	15.2	17.7
Remaining	16.2	122.3
Total (undiscounted)	74.1	202.2

The Corporation's current cash balance, internally-generated cash flow and future debt and equity placements could allow the Corporation to complete the development costs specified above. It is anticipated that the cost arising from debt that may be placed to fund future development activities will reflect rates for asset-based lending prevailing in Canada and the United States. The effect of the costs of the expected funding could have a material impact on the revenues or reserves currently being reported.

**Part 6 – Other Oil and Gas Information**

***Oil and Gas Properties and Wells***

The following table sets forth the number of wells in which the Corporation held a working interest as at December 31, 2020:

**Table 6.1a: United States – Wyoming <sup>(1)</sup>**

Wyoming	CRUDE OIL		NATURAL GAS	
	Gross	Net	Gross	Net
Producing	41	24.5	-	-
Non-Producing	1	0.6	-	-
<b>Total</b>	42	25.0	-	-

Notes:

(1) Excludes injection wells (8 gross, 4.6 net) and water disposal wells (1 gross, 0.6 net).

### ***Properties with no Attributed Reserves***

Suspended wells with no reserves assigned were assigned Abandonment, Decommissioning, and Reclamation (ADR) Costs in accordance with expected costs for this activity. These costs are captured in the values presented in Table 5.2.

#### ***6.2.1 Significant Factors or Uncertainties Relevant to Properties with no Attributed Reserves***

No additional liabilities were forecast in this report in addition to those scheduled in Table 5.2. It is more than likely that for the next three years, there will be no requirements to abandon wells in either of the two Wyoming fields.

#### ***6.3 Forward Contracts***

The Corporation had no forward contracts pertaining to the evaluation that have been disclosed to Ryder Scott.

#### ***6.5 Tax Horizon***

COPL was not required to pay income taxes during 2020 as the Wyoming asset acquisition's final closure date was March 16, 2021. Accordingly, Atomic's results (profit/loss) for Dec 2020 will be reported in the Seller's tax returns. COPL expects to begin paying Corporate income taxes on the Wyoming assets in 2021.

For a discussion of COPL's overall tax status, please see COPL's audited consolidated comparative financial statements for the year ended December 31, 2020 and management's discussion and analysis for its most recently completed financial year, which are filed on SEDAR at [www.sedar.com](http://www.sedar.com).

#### ***6.6 Costs Incurred***

The following table summarizes the Corporation's capital expenditures incurred during the year ended December 31, 2020:

**Table 6.6a: COSTS INCURRED IN 2020 – United States (US MM\$)**

	<u>Property Acquisition Costs</u>	<u>Proved Properties</u>	<u>Unproved Properties</u>	<u>Exploration Costs</u>	<u>Development Costs</u>
Wyoming	5.0				



Note: COPL acquired the Wyoming assets with an effective date of December 1, 2020. During December, an initial 5.0 USMM\$ deposit was made to Atomic as part of the overall 54 USMM\$ acquisition cost. The reset of the acquisition cost was paid in the first quarter of 2021. The development costs spent earlier in 2020 were incurred by Atomic/SouthWestern and the joint venture partners.

### 6.7 Exploration and Development Activities

The following table summarizes the Corporation's drilling results. The company drilled 5 gross wells in the Wyoming property. There were no service wells or stratigraphic test wells drilled. COPL acquired the Wyoming assets effective December 1, 2020. The 5 wells drilled were completed earlier in 2020 by the previous joint venture partners.

**Table 6.7: EXPLORATION AND DEVELOPMENT ACTIVITIES, UNITED STATES**

	Exploration		Development		Total	
	Gross	Net	Gross	Net	Gross	Net
2020						
Wyoming			5	2.9	5	2.9
Dry and Abandoned			0	0	0	0
Total wells			5	2.9	5	2.9
Success Rate (%)			100%	100%	100%	100%
Average Working Interest (%)			-	57.71%	-	57.71%

The exploration and development activities planned for Wyoming for the 2020 year principally targets a continuation of the development of the Shannon pool in Barron Flats Unit and drilling of horizontal wells targeting the Frontier 2 and Dakota formations in Cole Creek.

## 6.8 Production Estimates

The following table is a summary of the gross (prior to royalties) volume of the Corporation's estimated production for 2020, which is reflected in the estimate of future net revenue in the Reserves Reports based on forecast prices and costs.

**Table 6.8a: ESTIMATED 2021 PRODUCTION**

Full Field Interest Production Category	Light and Medium Crude Oil (Mbbbl)	Natural Gas Liquids (Mbbbl)	Associated and Non-Associated Natural Gas (MMscf)	Oil Equivalent (MBOE) <sup>(1)</sup>
<b>Gross Proved Production</b>				
United States	403.1	19.4	130	444.2
<b>Gross Proved plus Probable Production</b>				
United States	437.5	21.0	141	482.1

Notes:

(1) See information related to BOE conversion ratio on page 20 of this document

## 6.9 Production History and Per Unit Results

The following tables summarize certain information in respect of production, product prices, royalties paid, royalties received (if applicable), and production taxes paid, operating expenses and resulting netback for the periods indicated below:

**Table 6.9-1: History and Per Unit Results  
For Canadian Overseas Petroleum Limited**

<b>SUMMARY OF 2020 COMPANY SHARE OF PRODUCTION AND NETBACKS For Canadian Overseas Petroleum Limited</b>					
<b>RESERVE_CATEGORY</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Total</b>
<b>Average Daily Production</b>					
Light and Medium Crude Oil (bbls/d)	716	650	767	789	731
Natural Gas (Mcf/d)*	365	462	510	475	454
NGLs (bbls/d)					
Total (boe/d)	<u>777</u>	<u>727</u>	<u>852</u>	<u>868</u>	<u>807</u>
<b>Average Price Received</b>					
Light and Medium Crude Oil (\$/bbl)	41.51	22.36	38.62	38.75	35.31
Natural Gas (\$/Mcf)*					
NGLs (\$/bbls)					
Combined (\$/boe)	<u>41.51</u>	<u>22.36</u>	<u>38.62</u>	<u>38.75</u>	<u>35.31</u>
<b>Royalties and Production taxes</b>					
Light and Medium Crude Oil (\$/bbl)	8.57	5.41	8.33	8.18	7.77
Natural Gas (\$/Mcf)*					
NGLs (\$/bbls)					
Combined (\$/boe)	<u>8.57</u>	<u>5.41</u>	<u>8.33</u>	<u>8.18</u>	<u>7.77</u>
<b>Operating Expenses (including transportation)</b>					
Combined (\$/boe)	<u>14.43</u>	<u>21.63</u>	<u>15.67</u>	<u>13.41</u>	<u>15.87</u>
<b>Netback Received (\$/boe)</b>	<u>18.51</u>	<u>-4.68</u>	<u>14.62</u>	<u>17.16</u>	<u>11.67</u>

Note: See Information related to BOE conversion ratio on page 20 of this document.

\* All produced natural gas from Barron Flats Unit is reinjected and not sold. No royalties are collected. Cole Creek gas rates are too small to measure. NGL's are not measured separately in either field.

**ABBREVIATIONS AND CONVERSION**

<b>CRUDE OIL AND NATURAL GAS</b>		<b>NATURAL GAS</b>	
bbl	barrel	Mscf	thousand standard Cubic feet
bbls	barrels	MMscf	millions standard Cubic feet
Mbbls	thousands of barrels	MMscf/d	thousand standard Cubic feet per day
MMbbls	millions of barrels	MMBTU	million british thermal units
MSTB	1,000 stock tank barrels	Bscf	billion standard Cubic feet
bbls/d	barrels per day	GJ	gigajoule
NGLs	natural gas liquids		
STB	stock tank barrels of oil		
STB/d	stock tank barrels of oil per day		

**OTHER**

BOE	Barrel of oil equivalent on the basis that 1 barrel of oil is equivalent to 6 Mscf of natural gas. BOE's may be misleading, particularly if used in isolation. A BOE conversion ration of 1 barrel of oil for 6 Mscf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head.
BOE/d	Barrel of oil equivalent per day
m <sup>3</sup>	Cubic meters