UNITED ENERGY CORPORATION

A Nevada Corporation

101 E. Park Blvd. Suite 600
Plano, Texas 75074
www.unrgcorp.com
469-209-5829
SIC-1389

Quarterly Report

For the period ending March 31, 2026 **(the "Reporting Period")**

Outstanding Shares

The number of shares outstanding of our Common Stock was:

542,271,353 as of March 31, 2026 *(Current Reporting Period Date or More Recent Date)*

534,343,856 as of December 31, 2025 *(Most Recent Completed Fiscal Year End)*

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control[4] of the company has occurred during this reporting period:

Yes: ☐ No: ☒

[4] "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

United Energy Corporation: 03/1996 – Present
Aztec Silver Mining Corporation: 07/1971 – 03/1996

Current State and Date of Incorporation or Registration: Nevada
Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:
None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

101 E. Park Blvd. Suite 600 Plano, Texas 75074

Address of the issuer's principal place of business:
X *Check if principal executive office and principal place of business are the same address:*

Yes

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Securities Transfer Corporation
Phone: +1-469-633-0101
Email: info@stctransfer.com
Address: 2901 Dallas Parkway, Suite 380 Plano, Texas 75093

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	UNRG	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	910900208	
Par or stated value:	$0.0001	
Total shares authorized:	850,000,000	as of date: March 31, 2026
Total shares outstanding:	542,271,353	as of date: March 31, 2026
Total number of shareholders of record:	1260	as of date: March 31, 2026

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

None

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Series A Preferred Stock ("Series A Preferred")	
CUSIP:	N/A	
Par or stated value:	$0.0001	
Total shares authorized:	5,000,000	as of date: March 31, 2026
Total shares outstanding:	5,000,000	as of date: March 31, 2026
Total number of shareholders of record:	1	as of date: March 31, 2026

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Series B Preferred Stock ("Series B Preferred")	
CUSIP:	N/A	
Par or stated value:	$0.0001	
Total shares authorized:	70,000,000	as of date: March 31, 2026
Total shares outstanding:	0	as of date: March 31, 2026
Total number of shareholders of record:	0	as of date: March 31, 2026

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

None

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. **For common equity, describe any dividend, voting and preemption rights.**

Each holder of Common Stock shall be entitled to one vote for each share of such stock standing in his name on the books of the Corporation.

2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

Preferred A Shares have 500 to 1 voting rights and cannot be converted into common stock or receive a dividend. Preferred B Shares may receive a dividend of $0.005 per share and can be converted into 1.5 shares of common stock per share.

3. **Describe any other material rights of common or preferred stockholders.**

None

4. **Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.**

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities ***in the past two completed fiscal years and any subsequent interim period****.*

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: X (If yes, you must complete the table below)

Shares Outstanding Opening Balance: Date 12/31/2023 Common: 373,014,147 Preferred A: 5,000,000 Preferred B: 0			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g., new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.**	**Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided**	**Restricted or Unrestricted as of this filing.**	**Exemption or Registration Type.**
2/1/2024	New Issuance	250,000	Common A	$0.0400	Yes	K. Stillwagon	Services	Restricted	4(a)(2)
2/11/2024	New Issuance	125,000	Common A	$0.1000	Yes	A. Cordia	Services	Restricted	4(a)(2)
2/14/2024	New Issuance	7,500,000	Common A	$0.0200	Yes	H. Bethel	Cash	Restricted	4(a)(2)

3/19/2024	New Issuance	1,000,000	Common A	$0.0500	Yes	Westpark Capital	Services	Restricted	4(a)(2)
3/28/2024	New Issuance	454,400	Common A	$0.0200	Yes	Jenkins Trust	Contract	Restricted	4(a)(2)
3/29/2024	New Issuance	125,000	Common A	$0.1000	No	Leonite Fund I, L.P.	Contract	Restricted	4(a)(2)
6/11/2024	New Issuance	1,871,040	Common A	$0.1000	No	A. Blaine Hanks	Contract	Restricted	4(a)(2)
6/11/2024	New Issuance	1,934,280	Common A	$0.1000	No	Gateway Oil & Gas, LLC	Contract	Restricted	4(a)(2)
7/11/2024	New Issuance	178,407	Common A	$0.0200	Yes	Jenkins Trust	Contract	Restricted	4(a)(2)
7/11/2024	New Issuance	752,446	Common A	$0.1000	No	A. Blaine Hanks	Contract	Restricted	4(a)(2)
7/11/2024	New Issuance	1,869,986	Common A	$0.1000	No	Gateway Oil & Gas, LLC	Contract	Restricted	4(a)(2)
7/11/2024	New Issuance	518,541	Common A	$0.1000	No	Blaine Development Inc.	Contract	Restricted	4(a)(2)
8/13/2024	New Issuance	1,871,040	Common A	$0.1000	No	A. Blaine Hanks	Contract	Restricted	4(a)(2)
8/13/2024	New Issuance	1,937,280	Common A	$0.1000	No	Gateway Oil & Gas, LLC	Contract	Restricted	4(a)(2)
8/14/2024	New Issuance	404,109	Common A	$0.0200	Yes	Jenkins Trust	Contract	Restricted	4(a)(2)
8/14/2024	New Issuance	2,030,000	Common A	$0.0200	Yes	R. Beazley	Contract	Restricted	4(a)(2)
8/14/2024	New Issuance	4,000,000	Common A	$0.1250	No	D. Pope	Contract	Restricted	4(a)(2)
8/14/2024	New Issuance	2,400,000	Common A	$0.1250	No	M. Simister	Contract	Restricted	4(a)(2)
8/14/2024	New Issuance	250,000	Common A	$0.0400	No	K. Stillwagon	Services	Restricted	4(a)(2)
8/14/2024	New Issuance	125,000	Common A	$0.1000	No	A. Cordia	Services	Restricted	4(a)(2)
8/20/2024	New Issuance	712,899	Common A	$0.0200	Yes	Jenkins Trust	Contract	Restricted	4(a)(2)
8/20/2024	New Issuance	2,250,000	Common A	$0.0200	Yes	P. Murphy Rev Trust	Cash	Restricted	4(a)(2)
8/23/2024	New Issuance	920,000	Common A	$0.1000	No	Gateway Shareholder Account	Contract	Restricted	4(a)(2)
9/30/2024	New Issuance	2,518,240	Common A	$0.0200	Yes	Jenkins Trust	Contract	Restricted	4(a)(2)
9/30/2024	New Issuance	2,500,000	Common A	$0.0200	Yes	R. Bethel	Cash	Restricted	4(a)(2)

9/30/2024	New Issuance	36,092,000	Common A	$0.0200	Yes	BJC Investment House, LLC	Cash	Restricted	4(a)(2)
9/30/2024	New Issuance	250,000	Common A	$0.0400	Yes	K. Stillwagon	Services	Restricted	4(a)(2)
9/30/2024	New Issuance	125,000	Common A	$0.1000	No	A. Cordia	Services	Restricted	4(a)(2)
12/18/2024	New Issuance	5,000,000	Common A	$0.0150	No	Leonite Fund I, L.P.	Conversion	Unrestricted	4(a)(2)
12/31/2024	New Issuance	250,000	Common A	$0.0100	No	N. Flores	Services	Restricted	4(a)(2)
12/31/2024	New Issuance	250,000	Common A	$0.0400	No	K. Stillwagon	Services	Restricted	4(a)(2)
12/31/2024	New Issuance	125,000	Common A	$0.1000	No	A. Cordia	Services	Restricted	4(a)(2)
12/31/2024	New Issuance	3,750,000	Common A	$0.0200	Yes	V. Makan	Cash	Restricted	4(a)(2)
12/31/2024	New Issuance	13,835,000	Common A	$0.0200	Yes	BJC Investment House, LLC	Cash	Restricted	4(a)(2)
12/31/2024	New Issuance	1,420,041	Common A	$0.0200	Yes	Jenkins Trust	Contract	Restricted	4(a)(2)
12/31/2024	New Issuance	250,000	Common A	$0.1000	No	N. Flores	Services	Restricted	4(a)(2)
1/17/2025	New Issuance	5,700,000	Common A	$0.0150	Yes	Leonite Fund I, L.P.	Conversion	Unrestricted	4(a)(2)
1/25/2025	New Issuance	250,000	Common A	$0.1000	No	N. Flores	Services	Restricted	4(a)(2)
2/1/2025	New Issuance	125,000	Common A	$0.1000	No	A. Cordia	Services	Restricted	4(a)(2)
2/11/2025	New Issuance	250,003	Common A	$0.0400	No	K. Stillwagon	Services	Restricted	4(a)(2)
3/31/2025	New Issuance	674,469	Common A	$0.0200	No	Jenkins Trust	Services	Restricted	4(a)(2)
4/28/2025	New Issuance	10,000,000	Common A	$0.0150	No	Leonite Fund I, L.P.	Conversion	Unrestricted	4(a)(2)
5/20/2025	New Issuance	250,000	Common A	$0.1000	No	N. Flores	Services	Restricted	4(a)(2)
5/20/2025	New Issuance	250,000	Common A	$0.0400	No	K. Stillwagon	Services	Restricted	4(a)(2)
6/30/2025	New Issuance	250,000	Common A	$0.1000	No	N. Flores	Services	Restricted	4(a)(2)
6/30/2025	New Issuance	250,000	Common A	$0.0400	No	K. Stillwagon	Services	Restricted	4(a)(2)
6/30/2025	New Issuance	6,000,000	Common A	$0.0200	No	BJC Investment House, LLC	Cash	Restricted	4(a)(2)
6/30/2025	New Issuance	391,433	Common A	$0.0200	No	Jenkins Trust	Contract	Restricted	4(a)(2)

7/1/2025	New Issuance	1,000,000	Common A	$0.0400	No	Thomas D.Madison Trust	Contract	Restricted	4(a)(2)
7/28/2025	New Issuance	250,000	Common A	$0.0400	No	C. Henderson	Services	Restricted	4(a)(2)
9/19/2025	New Issuance	10,000,000	Common A	$0.0150	No	Leonite Fund I, L.P.	Conversion	Unrestricted	4(a)(2)
10/25/2025	New Issuance	250,000	Common A	$0.1000	No	N. Flores	Services	Restricted	4(a)(2)
11/1/2025	New Issuance	250,000	Common A	$0.0400	No	K. Stillwagon	Services	Restricted	4(a)(2)
11/25/2025	New Issuance	22,526,000	Common A	$0.0200	No	BJC Investment House, LLC	Cash	Restricted	4(a)(2)
12/4/2025	New Issuance	1,818,098	Common A	$0.0200	No	Jenkins Trust	Contract	Restricted	4(a)(2)
12/5/2025	New Issuance	1,000,000	Common A	$0.0150	No	R. Solc	Cash	Restricted	4(a)(2)
1/1/2026	New Issuance	577,495	Common A	$0.0200	No	Jenkins Trust	Contract	Restricted	4(a)(2)
1/1/2026	New Issuance	250,000	Common A	$0.0400	No	K. Stillwagon	Services	Restricted	4(a)(2)
1/25/2026	New Issuance	250,000	Common A	$0.1000	No	N. Flores	Services	Restricted	4(a)(2)
2/11/2026	New Issuance	1,250,000	Common A	$0.0200	No	A. Martin	Cash	Restricted	4(a)(2)
2/12/2026	New Issuance	1,000,000	Common A	$0.0200	No	R. Ellsworth	Cash	Restricted	4(a)(2)
2/12/2026	New Issuance	400,000	Common A	$0.0200	No	K. Hays	Cash	Restricted	4(a)(2)
2/12/2026	New Issuance	500,000	Common A	$0.0200	No	Parchuri Inv. Group	Cash	Restricted	4(a)(2)
2/13/2026	New Issuance	200,000	Common A	$0.0200	No	D. Byers IRA	Cash	Restricted	4(a)(2)
2/20/2026	New Issuance	2,500,000	Common A	$0.0200	No	R. Beazley	Contract	Restricted	4(a)(2)
2/26/2026	New Issuance	1,000,000	Common A	$0.0200	No	P. Fish	Cash	Restricted	4(a)(2)
Shares Outstanding on Date of This Report: Date 3/31/2026	Ending Balance: Common: 542,271,353 Preferred A:5,000,000 Preferred B: 0								

*1. Jenkins Trust control person is James Jenkins
2. Leonite Fund I, L.P. control person is Avi Geller
3. JFerguson RD, LLC control person is John Ferguson
4. Westpark Capital control person is Rick Rappaport
5. Gateway Oil & Gas, LLC control person is A. Blaine Hanks

6. P. Murphy Rev Trust control person is David Smith
7. Gateway Shareholder Account control person is A. Blaine Hanks
8. BJC Investment House, LLC control person is Jeff Black
9. Parchuri Inv. Group LLC control person is Kris Parchuri

Example: A company with a fiscal year end of December 31st 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

[☐] Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance ($)	Outstanding Balance ($) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion[5]	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
10/24/2022	$555,556	$1,178,772	10/24/2023	$0.10 or lowest trade price on day of default if default occurs.	30,700,000 shares of Class A Common	78,584,800 shares of Class A Common	Leonite Fund I, LP	Loan
Total Outstanding Balance:		$1,178,772		**Total Shares:**	10,700,000	76,480,667		

Any additional material details, including footnotes to the table are below:

*Micronizing Technologies LLC control person is Steve Sample
*Leonite Fund I, LP control person is Avi Geller

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

United Energy Corporation is a diversified oil and gas producer based in Plano, TX with a 50-year history in the energy, manufacturing, and mining industries. The Company's corporate directive includes exploration, development, production, technology, and storage. Our premier holdings include assets and operations in Oklahoma, Kansas, and Louisiana. United Energy owns or has operations in over 200,000+ acres of leasehold, 2,000+ wells, and 1,100 miles

[5] The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

of natural gas pipelines. Our objective is to maximize our resources for the highest possible gain to our shareholders and company while building a solid foundation of profitable, sustainable assets.

B. List any subsidiaries, parent company, or affiliated companies.

Attis Oil & Gas, LLC, A Texas Limited Liability Company
Entranso Energy, LLC, A Nevada Limited Liability Company
Cotton Valley Oil & Gas, LLC, A Nevada Limited Liability Company
Integrity Terminals, LLC, A Louisiana Limited Liability Company
UEKS, LLC. A Kansas Limited Liability Company

C. Describe the issuers' principal products or services.

United Energy Corporation is focused on the development of natural gas and oil reservoirs in the Cherokee Basin located in Northeastern Oklahoma and Southeastern Kansas. The basin is prolific and has been producing oil and gas since 1873. The oil and gas properties United Energy owns or has under contract contain potentially 165.587 BCF of undiscovered natural gas reserves per the USGS (www.usgs.gov).

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

United Energy Corporation currently operates at 101 E Park Blvd, Suite 600, Plano, Texas 75074
Entransco Energy, LLC and Cotton Valley Oil & Gas, LLC currently operate at 112 N. Delaware St. Dewey, OK 74029

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.
If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Individual Name (First, Last) or **Entity Name** (Include names of control person(s) if a corporate entity)	**Position/Company Affiliation** (ex: CEO, 5% Control person)	**City and State** (Include Country if outside U.S.)	**Number of Shares Owned** (List common, preferred, warrants and options separately)	**Class of Shares Owned**	**Percentage of Class of Shares Owned** (undiluted)
Brian Guinn	CEO	Allen, Texas	5,000,000	Preferred A	100%

Brian Guinn	CEO	Allen, Texas	9,150,000	Common	1.9%
Jenkins Trust, James Jenkins	Shareholder	Germantown, TN	30,326,733	Common	5.6%

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

In 2020, Rigworx, Inc., now known as United Energy Corporation, was named as a 3rd party defendant in litigation between a prior operator and a landowner on an oil and gas lease located in Sparks, Oklahoma. The litigation predated the purchase of the property. The nature of the suit is based on the use of oil and gas production equipment, roads and right-of-ways. United Energy Corporation no longer has an interest in the leases and wells located in Sparks, Oklahoma but it continues to be a 3rd party defendant in the litigation. On October 29, 2024, the parties entered into a mediator's settlement agreement. All related parties to this litigation are currently finalizing settlement documents.

As of December 31, 2025 the parties have agreed to a settlement whereby United Energy would contribute a small amount towards the lawsuit to settle the dispute. United Energy does not admit that it had any liability but contributing to the settlement was in the best interest of the Company and its shareholders to have the case dismissed. Currently, the terms of the settlement are still being negotiated.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.
Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Name: Eric Newlan
Firm: Newlan Law Firm, PLLC
Address 1: 2201 Long Prairie Rd. Suite 107-762
Address 2: Flower Mound, Texas 75022
Phone: +1-940-367-6154
Email: eric@newlanpllc.com

Auditors

Name: Cecil Garrick
Firm: M&K CPAs, PLLC
Address 1: 363 N. Sam Houston Pkwy E., Suite 650
Address 2: Houston, Texas 77060
Phone: 832-242-9950
Email: cgarrick@mkacpas.com

Accountant

Name: Todd Peterson
Firm: KSNE2 Enterprises
Address 1: 3608 Mallardwood Drive
Address 2: Las Vegas, NV 89129
Phone:
Email: todd@ksne2enterprises.com

All other means of Investor Communication:

X (Twitter): @UNRGCorp
Discord: NA
LinkedIn United Energy Corporation
Facebook: United Energy Corporation

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement.** This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

None

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: **Brian GUinn**
Title: **CEO**
Relationship to Issuer: **CEO**

B. The following financial statements were prepared in accordance with:

☐ IFRS
X U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: **Todd Peterson, CPA**
Title: **CPA**
Relationship to Issuer: **Accountant**
Describe the qualifications of the person or persons who prepared the financial statements:[6] **CPA**

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:
- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

[6] The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, **Brian Guinn,** certify that:

1. I have reviewed this Disclosure Statement for **United Energy Corporation**;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 20, 2026
Signature: /s/ Brian Guinn
Name: Brian Guinn
Title: Chairman and CEO

Principal Financial Officer:

I, **Brian Guinn,** certify that:

1. I have reviewed this Disclosure Statement for **United Energy Corporation**;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 20, 2026
Signature: /s/ Brian Guinn
Name: Brian Guinn
Title: Chairman and CEO

United Energy Corporation

Condensed Consolidated Financial Statements
For the Three Months Ended
March 31, 2026 and 2025
(Unaudited)

CONTENTS

United Energy Corporation
101 East Park Blvd., Suite 600
Plano, TX 75074

May 20, 2026

I hereby certify that the accompanying unaudited condensed consolidated financial statements are based on the best information currently available to the Company. To the best of my knowledge, this information presents fairly, in all material respects, the financial position and stockholders' equity of United Energy Corporation as of March 31, 2026 and 2025, and the results of its operations and cash flows for the three months ended March 31, 2026 and 2025 in conformity with accounting principles generally accepted in the United States of America.

/s/ Brian Guinn
CEO

UNITED ENERGY CORPORATION
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash	$ 79,203	$ 43,057
Accounts receivable	4,942	8,076
Prepaid expense, related parties	-	330
Prepaid expense	22,489	22,725
Security deposits	14,030	14,030
Total current assets	120,664	88,218
Property and equipment:		
Oil and natural gas properties, full cost method of accounting:		
Proved properties	2,924,240	2,924,240
Total property and equipment	2,924,240	2,924,240
Less, accumulated depreciation, amortization, depletion and allowance for impairment	(2,572,456)	(2,570,356)
Total property and equipment, net	351,784	353,884
Other assets:		
Right-of-use asset	178,889	183,044
Notes receivable	291,700	291,700
Total other assets	470,589	474,744
Total assets	$ 943,037	$ 916,846
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	$ 147,667	$ 151,904
Accounts payable, related parties	16,343	-
Accrued expenses	466,744	365,913
Lease liabilities	426	15,051
Current portion of asset retirement obligations	2,515,294	2,515,024
Convertible notes payable	727,369	727,369
Current maturities of notes payable, net of $53,571 and $-0- debt discounts at March 31, 2026 and December 31, 2025, respectively	30,698	68,420
Total current liabilities	3,904,541	3,843,681
Long term liabilities:		
Long term portion of lease liabilities	177,671	163,847
Asset retirement obligations	25,870	25,424
Notes payable	264,313	180,162
Total liabilities	4,372,395	4,213,114
Commitments and contingencies	-	-
Series B convertible preferred stock, $0.0001 par value, 70,000,000 shares authorized; no shares issued and outstanding at March 31, 2026 and December 31, 2025	-	-
Stockholders' equity (deficit):		
Preferred stock, $0.0001 par value, 75,000,000 shares authorized, 5,000,000 shares issued and outstanding	500	500
Common stock, $0.0001 par value, 850,000,000 shares authorized, 542,271,351 and 534,343,856 shares issued and outstanding at March 31, 2026 and December 31, 2025, respectively	54,227	53,434
Subscriptions payable, consisting of -0- and 577,495 shares at March 31, 2026 and December 31, 2025, respectively	-	16,690
Additional paid in capital	17,926,390	17,752,993
Accumulated deficit	(21,410,475)	(21,119,885)
Total stockholders' equity (deficit)	(3,429,358)	(3,296,268)
Total liabilities and stockholders' equity (deficit)	$ 943,037	$ 916,846

The accompanying notes are an integral part of these consolidated financial statements.

UNITED ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Oil and gas sales	$ 12,117	$ 37,913
Operating expenses:		
Lease operating expenses	35,594	50,904
Depletion of oil and natural gas properties	2,100	7,278
Accretion of discount on asset retirement obligations	716	892
General and administrative	62,236	83,638
Professional fees	94,801	93,963
Bad debts expense	-	106,886
Total operating expenses	195,447	343,561
Operating loss	(183,330)	(305,648)
Other income (expense):		
Interest expense	(107,260)	(121,989)
Total other income (expense)	(107,260)	(121,989)
Net loss	$ (290,590)	$ (427,637)
Weighted average number of common shares outstanding - basic and diluted	538,306,353	477,670,239
Net loss per share - basic and diluted	$ (0.00)	$ (0.00)

The accompanying notes are an integral part of these consolidated financial statements.

UNITED ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
(Unaudited)

For the Three Months Ended March 31, 2026

	Series B Convertible Preferred Stock		Series A Preferred Stock		Common Stock		Additional Paid-in Capital	Subscriptions Payable	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance, December 31, 2025	-	$ -	5,000,000	$ 500	534,343,856	$ 53,434	$ 17,752,993	$ 16,690	$ (21,119,885)	$ (3,296,268)
Units of common stock and warrants sold for cash	-	-	-	-	4,350,000	435	86,565	-	-	87,000
Common stock issued for services	-	-	-	-	1,077,495	108	27,082	(16,690)	-	10,500
Common stock issued on debt financing	-	-	-	-	2,500,000	250	59,750	-	-	60,000
Net loss	-	-	-	-	-	-	-	-	(290,590)	(290,590)
Balance, March 31, 2026	-	$ -	5,000,000	$ 500	542,271,351	$ 54,227	$ 17,926,390	$ -	$ (21,410,475)	$ (3,429,358)

For the Three Months Ended March 31, 2025

	Series B Convertible Preferred Stock		Series A Preferred Stock		Common Stock		Additional Paid-in Capital	Subscriptions Payable	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance, December 31, 2024	-	$ -	5,000,000	$ 500	472,858,856	$ 47,286	$ 16,072,088	$ -	$ (19,611,624)	$ (3,491,750)
Common stock issued for debt conversion	-	-	-	-	5,700,000	570	84,930	-	-	85,500
Common stock issued for services	-	-	-	-	1,299,469	130	47,927	-	-	48,057
Imputed interest	-	-	-	-	-	-	2,071	-	-	2,071
Net loss	-	-	-	-	-	-	-	-	(427,637)	(427,637)
Balance, March 31, 2025	-	$ -	5,000,000	$ 500	479,858,325	$ 47,986	$ 16,207,016	$ -	$ (20,039,261)	$ (3,783,759)

See accompanying notes to financial statements.

UNITED ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Months Ended March 31, 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (290,590)	$ (427,637)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depletion, depreciation and amortization	2,100	7,278
Accretion of asset retirement obligations	716	892
Accretion of present value of convertible debt	-	22,118
Amortization of debt discounts	6,429	-
Common stock issued for services	10,500	48,057
Imputed interest	-	2,071
Decrease (increase) in assets:		
Accounts receivable	3,134	(13,691)
Prepaid expense, related parties	330	-
Prepaid expense	236	7,450
Other current assets	-	7,836
Right-of-use assets	4,155	2,340
Increase (decrease) in liabilities:		
Accounts payable, related parties	16,343	-
Accounts payable	(4,237)	2,169
Accrued expenses	100,831	97,800
Lease liability	(801)	(2,340)
Net cash used in operating activities	(150,854)	(245,657)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of oil and gas properties	-	(25,000)
Net used in investing activities	-	(25,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds received on notes payable	100,000	-
Proceeds received from sale of common stock	87,000	-
Net cash provided by financing activities	187,000	-
NET CHANGE IN CASH	36,146	(270,657)
CASH AT BEGINNING OF PERIOD	43,057	330,004
CASH AT END OF PERIOD	$ 79,203	$ 59,347
SUPPLEMENTAL INFORMATION:		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Asset retirement obligations	$ -	$ 373,913
Accrued interest converted to debt	$ -	$ 85,500
Value of debt discounts attributable to common stock	$ 60,000	$ -

The accompanying notes are an integral part of these consolidated financial statements.

UNITED ENERGY CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 – Nature of Business and Significant Accounting Policies

Nature of Business
United Energy Corporation was incorporated in Nevada on July 7, 1971. Effective October 31, 2019, United Energy Corporation merged with Rigworx, Inc., a Wyoming Corporation, whereby Rigworx, Inc. was deemed to be the acquiror for accounting purposes and became a subsidiary, which is expected to be dissolved. United Energy Corporation and its subsidiaries ("UNRG," "United Energy," the "Company," "we," "our" or "us") are engaged in the exploration and production of oil and natural gas properties. Our premier holdings include assets and operations in Texas, Oklahoma, Kansas, and Louisiana. United Energy owns or has operations in over 200,000 acres of leasehold properties, 2,000 wells, and 1,100 miles of natural gas pipelines.

On October 4, 2021, United Energy acquired 49% non-operated ownership in 200,000 acres of oil and natural gas leasehold in Northeastern Oklahoma and Southeastern Kansas, including approximately 2,200 wells and 1,000 miles of natural gas pipelines and gathering systems. The newly acquired assets once reached peaked production of 20,000 MCFD in 2005 and peak oil production of 325 BOPD in 2014. The dynamic rising natural gas demand and historic low inventories makes United Energy's entry into this region a significant strategic decision.

On various dates between July 23, 2021 and January 7, 2022, the Company purchased a total of 12.5% interest in Integrity Terminals, LLC ("Integrity") from Diamond Rose Development, LLC ("Diamond Rose") for a total purchase price of $75,000, of which $5,000 was paid during the year ended December 31, 2022. On June 3, 2022, the Company entered into a settlement agreement with Diamond Rose, whereby the Company received the remaining 87.5% interest in Integrity, including the assumption of $12,542 of outstanding legal fees owed by Integrity.

On April 24, 2025, United Energy formed a wholly-owned subsidiary in Texas, called United Energy LNG LLC ("UE LNG"). UE LNG was established to develop, construct, and operate multiple small-scale liquefied natural gas ("LNG") facilities across the United States. These facilities are designed to serve regional power, industrial, and transportation markets that are currently underserved by large-scale LNG infrastructure. The Company commenced Front-End Loading, Phase 1 ("FEL-1") engineering on its initial project site and is preparing to initiate FEL-1 studies on two additional sites located in Texas and Kansas. Each project will progress through the Front-End Engineering and Design ("FEED") process, a staged engineering and risk assessment methodology commonly utilized in energy infrastructure development. This approach allows the Company to define project scope, optimize plant design, establish reliable cost estimates, and manage risks prior to reaching a Final Investment Decision ("FID").

The UE LNG platform is intended to provide modular, scalable facilities capable of producing LNG in volumes suitable for distributed markets. By utilizing this model, the Company aims to improve access to natural gas as a clean, flexible, and lower-carbon fuel source while capturing opportunities in domestic and international LNG supply chains.

On July 1, 2025, the Company acquired 100 Units of the membership equity of Arris Resources, LLC, representing 100% of the issued and outstanding equity of the Company, in exchange for a $5,000 payment of cash, a $250,000 promissory note, bearing interest at 8% per annum, payable in monthly installments from August 1, 2025 through September 30, 2029, and 1,000,000 shares of the Company's common stock with a fair value of $36,700, based on the closing traded price of the common stock on the date of grant.

Basis of Accounting
The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission (SEC). Intercompany accounts and transactions have been eliminated. All references to Generally Accepted Accounting Principles ("GAAP") are in accordance with The FASB Accounting Standards Codification ("ASC") and the Hierarchy of Generally Accepted Accounting Principles.

UNITED ENERGY CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 – Nature of Business and Significant Accounting Policies (Continued)

Principles of Consolidation
The accompanying consolidated financial statements include the accounts of the following entities, all of which were under common control and ownership at March 31, 2026:

Name of Entity(1)	Formation/ Acquisition Date	Jurisdiction of Incorporation	Relationship
United Energy Corporation(2)(3)	July 7, 1971	Nevada	Parent
Rigworx, Inc.(3)	January 31, 2018	Wyoming	Subsidiary
Attis Oil and Gas (Panhandle), LLC(4)	February 7, 2020	Texas	Subsidiary
Cotton Valley Oil and Gas, LLC(4)	August 1, 2021	Nevada	Subsidiary
Entransco Energy, LLC(4)	August 1, 2021	Nevada	Subsidiary
Integrity Terminals, LLC(4)	June 3, 2022	Louisiana	Subsidiary
UEKS LLC(3)	July 12, 2024	Kansas	Subsidiary
United Energy LNRG LLC(3)	April 24, 2025	Texas	Subsidiary
Arris Resources, LLC(4)	July 1, 2025	Kansas	Subsidiary

(1) All entities are in the form of a corporation, or a limited liability corporation.
(2) Parent company, which owns each of the wholly-owned subsidiaries. All subsidiaries shown above are wholly-owned by United Energy Corporation
(3) Formation date
(4) Acquisition date

The consolidated financial statements herein contain the operations of the wholly-owned subsidiaries listed above. All significant inter-company transactions have been eliminated in the preparation of these financial statements. The parent company and subsidiaries will be collectively referred to herein as the "Company", "United Energy" or "UNRG". The Company's headquarters are located in Plano, Texas and substantially all of its revenues are within the United States.

These statements reflect all adjustments, consisting of normal recurring adjustments, which in the opinion of management are necessary for fair presentation of the information contained therein.

Use of Estimates
The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Segment Reporting
Under ASC 280, *Segment Reporting*, operating segments are defined as components of an enterprise where discrete financial information is available that is evaluated regularly by the chief operating decision maker ("CODM"), in deciding how to allocate resources and in assessing performance. The Company operates as a single segment, consisting of its oil and gas operations in the United States. Therefore, the Company's Chief Executive Officer, who is also the CODM, makes decisions and manages the Company's operations based on the consolidated operating segment.

Fair Value of Financial Instruments
The Company adopted ASC 820, Fair Value Measurements and Disclosures (ASC 820). ASC 820 defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to valuation methodology are unobservable and significant to the fair measurement.

The carrying value of cash, accounts receivable, accounts payables and accrued expenses are estimated by management to approximate fair value primarily due to the short-term nature of the instruments.

Note 1 – Nature of Business and Significant Accounting Policies (Continued)

Cash and Cash Equivalents
Cash equivalents include money market accounts which have maturities of three months or less. For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. Cash equivalents are stated at cost plus accrued interest, which approximates market value. There were no cash equivalents on hand at March 31, 2026 and 2025.

Cash in Excess of FDIC Insured Limits
The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000, under current regulations. The Company did not have any cash in excess of FDIC insured limits at March 31, 2026, and has not experienced any losses in such accounts.

Accounts Receivable
Accounts receivable is carried at estimated collectible amounts. Trade accounts receivable is periodically evaluated for collectability based on past credit history with customers and their current financial condition. The Company recognized an allowance for doubtful accounts of $1,148 as of March 31, 2026 and December 31, 2025.

Property and Equipment
Property and equipment are stated at the lower of cost or estimated net recoverable amount. The cost of property, plant and equipment is depreciated using the straight-line method based on the lesser of the estimated useful lives of the assets or the lease term based on the following life expectancy:

Office equipment	5 years
Furniture and fixtures	7 years
Machinery and equipment	7 years

Repairs and maintenance expenditures are charged to operations as incurred. Major improvements and replacements, which extend the useful life of an asset, are capitalized and depreciated over the remaining estimated useful life of the asset. When assets are retired or sold, the cost and related accumulated depreciation and amortization are eliminated and any resulting gain or loss is reflected in operations.

Oil & Gas Properties
We use the full cost method of accounting for exploration and development activities as defined by the SEC. Under this method of accounting, the costs of unsuccessful, as well as successful, exploration and development activities are capitalized as properties and equipment. This includes any internal costs that are directly related to property acquisition, exploration and development activities but does not include any costs related to production, general corporate overhead or similar activities. Gain or loss on the sale or other disposition of oil and natural gas properties is not recognized, unless accounting for the sale as a reduction of capitalized costs would significantly alter the relationship between capitalized costs and proved reserves.

Oil and natural gas properties include costs that are excluded from costs being depleted or amortized. Costs excluded from depletion or amortization represent investments in unevaluated properties and include non-producing leasehold, geological and geophysical costs associated with leasehold or drilling interests and exploration drilling costs. We exclude these costs until the property has been evaluated. Costs associated with unevaluated properties will be transferred to evaluated properties either (i) ratably over a period of the related field's life, or (ii) upon determination as to whether there are any proved reserves related to the unevaluated properties or the costs are impaired or capital costs associated with the development of these properties will not be available. Unevaluated properties with significant acquisition costs are assessed annually on a property-by-property basis and any impairment in value is charged to expense.

Impairment of Long-Lived Assets
Long-lived assets held and used by the Company are reviewed for possible impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable or is impaired. Recoverability is assessed using undiscounted cash flows based upon historical results and current projections of earnings before interest and taxes. Impairment is measured using discounted cash flows of future operating results based upon a rate that corresponds to the cost of capital. Impairments are recognized in operating results to the extent that carrying value exceeds discounted cash flows of future operations.

Note 1 – Nature of Business and Significant Accounting Policies (Continued)

Impairment of Long-Lived Assets (Continued)
Our intellectual property is comprised of indefinite-lived brand names and trademarks acquired and have been assigned an indefinite life as we currently anticipate that these brand names will contribute cash flows to the Company perpetually. We evaluate the recoverability of intangible assets periodically by taking into account events or circumstances that may warrant revised estimates of useful lives or that indicate the asset may be impaired.

Asset Retirement Obligations
The Company accounts for its abandonment and restoration liabilities under Financial Accounting Standards Board ("FASB") ASC Topic 410, "Asset Retirement and Environmental Obligations" ("FASB ASC 410"), which requires the Company to record a liability equal to the fair value of the estimated cost to retire an asset upon initial recognition. The asset retirement liability is recorded in the period in which the obligation meets the definition of a liability, which is generally when the asset is placed into service. When the liability is initially recorded, the Company increases the carrying amount of oil and natural gas properties by an amount equal to the original liability. The liability is accreted to its present value each period, and the capitalized cost is depreciated consistent with depletion of reserves. Upon settlement of the liability or the sale of the well, the liability is relieved. These liability amounts may change because of changes in asset lives, estimated costs of abandonment or legal or statutory remediation requirements.

Business Combinations
The Company accounts for its acquisitions that qualify as a business using the acquisition method under FASB ASC Topic 805, "Business Combinations." Under the acquisition method, assets acquired and liabilities assumed are recognized and measured at their fair values. The use of fair value accounting requires the use of significant judgment since some transaction components do not have fair values that are readily determinable. The excess, if any, of the purchase price over the net fair value amounts assigned to assets acquired and liabilities assumed is recognized as goodwill. Conversely, if the fair value of assets acquired exceeds the purchase price, including liabilities assumed, the excess is immediately recognized in earnings as a bargain purchase gain.

Intangible Assets
Intangible assets consist of trademarks and are capitalized when acquired. The determination of fair value involves considerable estimates and judgment. In particular, the fair value of a reporting unit involves, among other things, developing forecasts of future cash flows and determining an appropriate discount rate. Although UNRG believes it has based its impairment testing of its intangible assets on reasonable estimates and assumptions, the use of different estimates and assumptions could result in materially different results. If the current legal and regulatory environment, business or competitive climate worsens, or UNRG's operating companies' strategic initiatives adversely affect their financial performance, the fair value of trademarks and other intangible assets could be impaired in future periods. Trademarks and other intangible assets with indefinite lives are not amortized, but are tested for impairment annually, in the fourth quarter, and more frequently if events and circumstances indicate that the asset might be impaired.

Concentrations of Market, Credit Risk and Other Risks
The future results of the Company's crude oil and natural gas operations will be affected by the market prices of crude oil and natural gas. The availability of a ready market for crude oil and natural gas products in the future will depend on numerous factors beyond the control of the Company, including weather, imports, marketing of competitive fuels, proximity and capacity of crude oil and natural gas pipelines and other transportation facilities, any oversupply or undersupply of crude oil, natural gas and liquid products, economic disruptions resulting from the COVID-19 pandemic, the regulatory environment, the economic environment, and other regional and political events, none of which can be predicted with certainty.

The Company operates in the exploration, development and production sector of the crude oil and natural gas industry. The Company's receivables include amounts due, indirectly via the third-party operators of the wells, from purchasers of its crude oil and natural gas production. While certain of these customers, as well as third-party operators of the wells, are affected by periodic downturns in the economy in general or in their specific segment of the crude oil or natural gas industry, the Company believes that its level of credit-related losses due to such economic fluctuations have been immaterial.

The Company manages and controls market and counterparty credit risk. In the normal course of business, collateral is not required for financial instruments with credit risk. Financial instruments which potentially subject the Company to credit risk consist principally of temporary cash balances and derivative financial instruments. The Company maintains cash and cash equivalents in bank deposit accounts which, at times, may exceed the federally insured limits. The Company has not experienced any significant losses from such investments. The Company attempts to limit the amount of credit exposure to any one financial institution or company. The Company believes the credit quality of its counterparties is generally high. In the normal course of business, letters of credit or parent guarantees may be required for counterparties which management perceives to have a higher credit risk.

Note 1 – Nature of Business and Significant Accounting Policies (Continued)

Revenue Recognition
The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers. The Company's revenues are derived primarily from the sale of crude oil, natural gas, and natural gas liquids ("NGLs") produced from its oil and gas properties. The Company may also generate revenues from marketing, gathering, transportation, or processing services provided to third parties.

Revenue is recognized when control of the promised goods or services is transferred to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Nature of Goods and Services
The Company sells crude oil, natural gas, and NGLs under contracts with customers that typically have terms of one year or less. Pricing for these contracts is generally based on published market indices, adjusted for location differentials, quality specifications, and other contractual provisions. Service revenues, when applicable, are derived from providing marketing or midstream-related services to third parties.

Performance Obligations
The Company's contracts with customers generally include a single performance obligation, which is satisfied upon delivery of a specified quantity of hydrocarbons or completion of a distinct service. Performance obligations related to product sales are satisfied at a point in time, when control of the product transfers to the customer at the contractually specified delivery point. Delivery points may include the wellhead, pipeline interconnect, processing facility, or other agreed-upon locations.

Transaction Price and Variable Consideration
The transaction price for product sales is variable, as consideration is based on market-index pricing and may be adjusted for volumes, quality, transportation, and other factors. The Company estimates variable consideration using the expected value or most likely amount method, as appropriate, and includes such amounts in revenue to the extent that it is probable that a significant reversal of cumulative revenue recognized will not occur.

Revenues are often recognized based on provisional pricing, with final settlement occurring after the end of the production month once volumes and prices are finalized. Adjustments resulting from the resolution of provisional pricing are recorded as increases or decreases to revenue in the period in which the adjustments are determined.

Payment Terms and Contract Balances
Payment terms vary by contract but generally require payment within 30 to 60 days after delivery. The Company does not have significant financing components in its contracts, as the timing between transfer of control and payment is typically less than one year.

The Company generally does not recognize contract assets, as the right to consideration arises upon delivery of the product. Contract liabilities are not material, as customers do not typically prepay for the Company's products or services.

Principal vs. Agent Considerations
The Company evaluates whether it acts as a principal or an agent in transactions involving marketing, transportation, or other services. When the Company controls the good or service prior to transfer to the customer, revenues and related costs are recorded on a gross basis. Otherwise, revenues are recorded on a net basis.

Practical Expedients
The Company applies the practical expedient under ASC 606 to exclude disclosure of remaining performance obligations for contracts with an original expected duration of one year or less. Incremental costs of obtaining contracts are expensed as incurred, as such costs are not significant.

Substantially all of the Company's oil and natural gas leases are within four geographic areas in the United States: Texas, Oklahoma, Kansas and Louisiana, and all revenues in the periods presented herein have been generated by the Oklahoma geographic area.

Advertising Costs
The Company expenses the cost of advertising and promotions as incurred. There were no advertising and promotions expense for the three months ended March 31, 2026 and 2025.

Note 1 – Nature of Business and Significant Accounting Policies (Continued)

Stock-Based Compensation
The Company accounts for equity instruments issued to employees in accordance with the provisions of ASC 718 Stock Compensation (ASC 718). All transactions in which the consideration provided in exchange for the purchase of goods or services consists of the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date of the fair value of the equity instrument issued is the earlier of the date on which the counterparty's performance is complete or the date at which a commitment for performance by the counterparty to earn the equity instruments is reached because of sufficiently large disincentives for nonperformance.

Basic and Diluted Loss Per Share
The basic net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted net loss per common share is computed by dividing the net loss adjusted on an "as if converted" basis, by the weighted average number of common shares outstanding plus potential dilutive securities. For the three months ended March 31, 2026 and 2025, potential dilutive securities had an anti-dilutive effect and were not included in the calculation of diluted net loss per common share.

Income Taxes
The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Uncertain Tax Positions
In accordance with ASC 740, "Income Taxes" ("ASC 740"), the Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be capable of withstanding examination by the taxing authorities based on the technical merits of the position. These standards prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. These standards also provide guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Various taxing authorities periodically audit the Company's income tax returns. These audits include questions regarding the Company's tax filing positions, including the timing and amount of deductions and the allocation of income to various tax jurisdictions. In evaluating the exposures connected with these various tax filing positions, including state and local taxes, the Company records allowances for probable exposures. A number of years may elapse before a particular matter, for which an allowance has been established, is audited and fully resolved. The Company has not yet undergone an examination by any taxing authorities.

The assessment of the Company's tax position relies on the judgment of management to estimate the exposures associated with the Company's various filing positions.

Adoption of New Accounting Standards and Recently Issued Accounting Pronouncements
From time to time, new accounting pronouncements are issued by the FASB that are adopted by the Company as of the specified effective date. If not discussed, management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on the Company's financial statements upon adoption.

Recently Adopted Accounting Standards

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses*, which provides a practical expedient (for all entities) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. The Company adopted ASU No. 2025-05 on January 1, 2026. Adoption of this guidance did not have a material effect on the Company's Consolidated Financial Statements.

Note 1 – Nature of Business and Significant Accounting Policies (Continued)

Accounting Standards Not Yet Adopted

In December 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-11, *Interim Reporting—Narrow Scope Improvement*s, to provide clarity and navigability of interim reporting requirements, requiring entities to provide interim financial statements and notes in accordance with U.S. GAAP and added a comprehensive list of interim disclosures required by U.S. GAAP. The new standard is effective for interim periods within annual periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this ASU on its financial statements and expects to adopt the new guidance in the first quarter of 2028.

In November 2025, the FASB issued ASU 2025-09, *Derivatives and Hedging—Hedge Accounting Improvements*. The ASU aims to better align Hedge Accounting with Risk Management. The update relaxes similar-risk requirements for grouped cash flow hedges, introduces an optional model for choose-your-rate debt, expands cash flow hedge eligibility for nonfinancial forecasts, clarifies the net written option test, and adjusts effectiveness assessment for dual foreign-currency debt hedges by excluding basis adjustments. The new standard is effective for interim periods within annual periods beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact of this ASU on its financial statements and expects to adopt the new guidance in the first quarter of 2027.

ASU 2024-03 and 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures*: In November 2024, the FASB issued a new accounting standard requiring a public business entity to provide disaggregated disclosures, in the notes to the financial statements, of certain categories of expenses that are included in expense line items on the face of the income statement. The annual reporting requirements of the new standard are effective for interim periods within annual periods beginning after December 15, 2027, with early adoption permitted. The Company is currently assessing the effect that adoption of this guidance will have on its Consolidated Financial Statements and expects to adopt the new guidance in the first quarter of 2028.

We have reviewed all accounting pronouncements recently issued by the FASB and the SEC. The authoritative pronouncements that we have already adopted did not have a material effect on our financial condition, results of operations, cash flows or reporting thereof, and except as otherwise noted above, we do not believe that any of the authoritative pronouncements that we have not yet adopted will have a material effect upon our financial condition, results of operations, cash flows or reporting thereof.

Note 2 – Going Concern

As shown in the accompanying consolidated financial statements, the Company has incurred recurring losses from operations resulting in an accumulated deficit of $21,410,475, negative working capital of $3,783,877 and as of March 31, 2026, the Company's cash on hand may not be sufficient to sustain operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is actively pursuing new customers to increase revenues. In addition, the Company is currently seeking additional sources of capital to fund short term operations. Management believes these factors will contribute toward achieving profitability. The accompanying consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The consolidated financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. These financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 3 – Related Parties

As disclosed in Note 8, below, the Company entered into a Collateral Loan Agreement with Gateway Resources, USA, on July 25, 2022, whereby the Company agreed to make current and future loans to Gateway as needed for operating and administrative purposes. Gateway Resources, USA is an oil and company that operates production leases and natural gas pipeline in northeastern Oklahoma and southeastern Kansas that operates the Company's producing wells. The Company made advances of $-0- and $106,886 under this agreement during the three months ended March 31, 2026 and 2025, respectively.

Collectability of the notes receivable, described above, could not be reasonably assured, therefore the advances and debts acquired were fully allowed for, resulting in bad debts expense of $-0- and $106,886 during the three months ended March 31, 2026 and 2025, respectively.

Note 3 – Related Parties (Continued)

The Company had accounts payable of $16,343 and a $330 prepayment of lease operating expenses for production costs on the Company's wells that Gateway Resources USA operates at March 31, 2026 and December 31, 2025, respectively.

The Company paid a total of $44,150 and $72,000 of compensation to the Company's CEO, Brian Guinn, during the three months ended March 31, 2026 and 2025, respectively.

Note 4 – Major Customers and Accounts Receivable

For the three months ended March 31, 2026 and 2025, the Company derived 100% of its revenues from one customer. These revenues were generated primarily from the Company's oil and gas operations.

Accounts receivable from this customer represented approximately 100% of total accounts receivable as of March 31, 2026 and December 31, 2025. The Company believes that the credit risk associated with this customer is mitigated due to their financial condition, contractual arrangements, and payment history; however, the loss of either customer could have a material adverse effect on the Company's results of operations and cash flows.

Note 5 – Fair Value of Financial Instruments

Under FASB ASC 820-10-5, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and FASB ASC 820-10-50 details the disclosures that are required for items measured at fair value.

The Company has cash and cash equivalents, oil and gas properties, a convertible note receivable and convertible notes payable that must be measured under the fair value standard. The Company's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy. The three levels are as follows:

> Level 1 – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
>
> Level 2 – Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).
>
> Level 3 – Unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability.

Note 5 – Fair Value of Financial Instruments (Continued)

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balances sheet as of March 31, 2026 and December 31, 2025:

	Fair Value Measurements at March 31, 2026		
	Level 1	Level 2	Level 3
Assets			
Cash	$ 79,203	$ -	$ -
Oil and natural gas properties, proved properties, net of depletion	351,784	-	-
Total assets	430,987	-	-
Liabilities			
Asset retirement obligations	-	2,541,164	-
Convertible notes payable	-	-	727,369
Notes payable	-	-	295,011
Total liabilities	-	2,541,164	1,022,380
	$ 430,987	$ (2,541,164)	$ (1,022,380)

	Fair Value Measurements at December 31, 2025		
	Level 1	Level 2	Level 3
Assets			
Cash	$ 43,057	$ -	$ -
Oil and natural gas properties, proved properties, net of depletion	353,884	-	-
Total assets	396,941	-	-
Liabilities			
Asset retirement obligations	-	2,540,448	-
Convertible notes payable	-	-	727,369
Notes payable	-	-	248,582
Total liabilities	-	2,540,448	975,951
	$ 396,941	$ (2,540,448)	$ (975,951)

There were no transfers of financial assets or liabilities between Level 1 and Level 2 inputs for the three months ended March 31, 2026 or the year ended December 31, 2025.

Note 6 – Property and Equipment

Property and equipment at March 31, 2026 and 2025, consisted of the following:

	March 31, 2026	December 31, 2025
Oil and gas properties, full cost method:		
Evaluated costs	$ 2,924,240	$ 2,924,240
Unevaluated costs, not subject to amortization or ceiling test	-	-
	2,924,240	2,924,240
Other property and equipment	-	-
	2,924,240	2,924,240
Less: Accumulated depreciation, amortization, depletion and impairments	(2,572,456)	(2,570,356)
Total property and equipment, net	$ 351,784	$ 353,884

There was $2,100 and $7,278 of depreciation, depletion, or amortization expense for the three months ended March 31, 2026 and 2025, respectively.

Note 7 – Oil and Gas Properties

The Company's oil and gas properties consist of all acreage acquisition costs (including cash expenditures and the value of stock consideration), drilling costs and other associated capitalized costs, located in Texas, Oklahoma, Kansas and Louisiana.

There were no purchases of oil and gas properties during the three months ended March 31, 2026. There were also no divestitures of oil and gas properties for the three months ended March 31, 2026.

Note 8 – Convertible Notes Receivable, Related Parties

Convertible notes receivable, related parties, consists of the following at March 31, 2026 and 2025, respectively:

	March 31, 2026	December 31, 2025
On July 25, 2022, the Company entered into a Collateral Loan Agreement ("CLA") with Gateway. Pursuant to the agreement, the Company agreed to make current and future loans to Gateway as needed for operating and administrative purposes. In exchange for this arrangement, Gateway pledged to the Company all of its assets, leases, wells, pipelines, equipment and machinery as collateral. The Company has the option, but not obligation, to acquire the assets of Gateway's previous lender, Blaine Exploration, Ltd. to assume its position as Senior Creditor. The fair value of the common stock was $1,049,200, based on the closing traded price of the common stock on the date of grant. The fair value of the common stock was recognized as a convertible note receivable, resulting in a premium on the purchase of the convertible note receivable of $189,200, which was being amortized over a period of 10 years at the rate of 6% per annum using the effective interest method.	$ 860,000	$ 860,000
On March 23, 2024, the Company acquired a combination of debentures and a personal loan owed from Gateway to third parties. The debentures with a combined face value of Eight Hundred Thousand Dollars ($800,000), bear interest at 12% per annum and are convertible into the common stock of Gateway at a conversion rate of $0.125 per share. The Company purchased the distressed debts that were in default with the issuance of a total of 6,400,000 shares of the Company's common stock. The fair value of the common stock was $294,592, based on the closing traded price on the grant date. The shares were subsequently issued on August 14, 2024.	294,592	294,592
On May 2, 2024, the Company entered into a supplement amending the collateral loan agreement with Gateway, Blaine Development, Inc. ("BUD"), Gateway Oil & Gas, Inc. ("GOG"), Gateway Resources, Ltd. ("GRC"), Hanks Oil Field Services, Inc. ("HOS") and A. Blaine Hanks and Heidi B. Hanks ("ABH-HBH"), collectively referred to as "Gateway Management", to satisfy additional debts and claims owed from Gateway to Gateway's Management. The debts and obligations owed to Gateway Management was purchased by the Company in exchange for the issuance of an aggregate 10,754,613 shares of the Company's common stock to be held in escrow with a fair value of $550,636. The sum of $116,329 remains due and owing to BEX. In addition, 920,000 shares of the Company's common stock to be held in escrow with a fair value of $47,104 were issued for distribution to minority shareholders.	597,740	597,740
On various dates from October 25, 2021 through March 31, 2026, the Company advanced funds to Gateway pursuant to the CLA in the following aggregate amounts.	1,555,147	1,555,147
Face value of convertible note receivable	3,307,479	3,307,479
Plus: premium on purchase of convertible note receivable	189,200	189,200
Convertible note receivable	$ 3,496,679	$ 3,496,679
Allowance for doubtful accounts	(3,496,679)	(3,496,679)
Convertible note receivable, net	$ -	$ -

Collectability of the notes receivable, described above, could not be reasonably assured, therefor the advances and debts acquired were fully allowed for, resulting in bad debts expense in the amount of $-0- and $106,886 for the three months ended March 31, 2026 and 2025, respectively.

Note 9 – Notes Receivable

On July 1, 2025, the Company acquired a Promissory Note Receivable with a contractual face amount of $728,453, and a balance due of $531,560. The note was acquired on July 1, 2025 in the Arris Resources, LLC transaction for a total purchase price of $291,700, consisting of $36,700 in the Company's common stock (measured at fair value on the acquisition date), a $250,000 promissory note payable to the seller, and $5,000 of transaction costs. The note is collateralized by natural gas gathering systems, pipelines, compression stations, easements and rights-of-way, and oil and gas leases located in Kansas and Oklahoma. The Promissory Note Receivable was in default at the time of acquisition and were determined to be purchased credit-deteriorated ("PCD") financial assets in accordance with ASC 326, Financial Instruments – Credit Losses.

In accordance with ASC 326, the Company evaluates its note receivable on a quarterly basis to estimate expected credit losses over the contractual life of the instruments. The allowance for credit losses is based on management's judgment and considers, among other factors, the creditworthiness of the borrower, the status and timing of foreclosure proceedings, the estimated fair value of the underlying collateral, historical loss experience, and reasonable and supportable forecasts of future economic conditions.

Because repayment of the notes is primarily dependent on recovery through foreclosure and liquidation of collateral, the Company considers these notes to be collateral-dependent financial assets. Expected credit losses are therefore measured based on the fair value of the collateral, less estimated costs to sell, to the extent such fair value is lower than the amortized cost basis of the notes.

As of March 31, 2026, the Company hadn't recorded an allowance for credit losses, as management's estimate of the recoverability of the collateral on the notes receivable exceeded the fair value of the consideration paid to acquire the promissory notes.

The allowance for credit losses represents management's estimate of expected credit losses on the Company's note receivable in accordance with ASC 326, Financial Instruments – Credit Losses. The allowance is evaluated at least quarterly and adjusted through earnings for changes in expected credit losses.

As the note receivable is collateral-dependent and in default, expected credit losses are measured based on the fair value of the underlying collateral, less estimated costs to sell, to the extent such amount is lower than the amortized cost basis of the note receivable. Changes in the allowance during the period were primarily driven by changes in estimated collateral values / updates to foreclosure timelines / changes in market conditions.

No recoveries or write-offs were recorded during the period as foreclosure proceedings remained ongoing as of March 31, 2026. The Company has continued to pursue foreclosure proceedings related to the note receivable, and no final judgment or transfer of title to the collateral had occurred as of March 31, 2026.

Note 10 – Leases

On October 1, 2021, the Company entered into a compressor site lease for approximately two (2) acres of real property located in Washington County, Oklahoma under a commercial lease in which the Company intends to construct, maintain and operate a gas compression station and all equipment and appurtenances related thereto, including without limitation, installation and construction of below ground piping over through and across the premises for suction and discharge headers and any other necessary pipelines. The initial lease term covers a period of five (5) years, and includes four (4) successive five (5) year renewal terms, which the Company does not expect to exercise, subject to a $9,000 early termination fee. Monthly rents are equal to the greater of a) $1,000 or, b) The calculated value of 2.5% of the net proceeds, defined as the total gross sales less amounts paid to mineral owners, received by the Company for all natural gas and/or other products processed and sold through the premises' facilities to the first arm's length purchase by a purchaser unaffiliated to the Company as evidenced by the actual net amount received by Lessee for said natural gas and/or other products from its purchaser during the rental month stated.

In conjunction with the Cobbs Ranch lease, the Company also entered into a compressor site lease agreement that went into effect on October 1, 2025. The Initial Term of the lease is for five (5) years, and from year to year thereafter until written notice to terminate is provided by either party. At the end of the Initial Term, the Company shall have the option to extend the lease for three (3) additional five (5) year terms. The lease payments required an initial $7,500 payment, and monthly payments of $1,500 in arrears for the first year. Monthly lease payments increase to $2,000 for the second year, annually thereafter by the greater of the Consumer Price Index ("CPI"), or three percent (3%). Any lease payment not paid when due shall bear interest at a rate of twelve percent (12%) per annum until paid.

The components of lease expense were as follows:

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Operating lease cost:		
Amortization of right-of-use assets	$ 4,155	$ 2,340
Interest on lease liabilities	6,699	660
Total operating lease cost	$ 10,854	$ 3,000

Supplemental balance sheet information related to leases was as follows:

	March 31, 2026	December 31, 2025
Operating lease:		
Operating lease assets	$ 178,889	$ 183,044
Current portion of operating lease liabilities	$ 426	15,051
Noncurrent operating lease liabilities	177,671	163,847
Total operating lease liability	$ 178,097	$ 178,898
Weighted average remaining lease term:		
Operating leases	10 years	10.25 years
Weighted average discount rate:		
Operating lease	15.00%	15.00%

Supplemental cash flow and other information related to operating leases was as follows:

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows used for operating leases	$ 7,500	$ 3,000

Note 11 – Convertible Notes Payable (In Default)

Convertible notes payable consists of the following at March 31, 2026 and 2025, respectively:

	March 31, 2026	December 31, 2025
On October 24, 2022, the Company entered into a securities purchase agreement and convertible debt financing of up to $5 million with Leonite Fund I, LP ("Leonite"). The secured financing of up to $5 million is through a Senior Secured Convertible Note ("the Note"). If elected, the Note is convertible into UNRG's Common Stock at a conversion price of $0.10 per share. It can be issued in tranches, and will be a senior secured obligation that will accrue interest at a rate equal to the Prime Rate plus 9.0% per annum, with a minimum rate of 15% per annum payable monthly. The Note carries an Original Issue Discount ("OID") of $555,556, on a pro-rata basis for each tranche. The securities purchase agreement also provided for the issuance of two series of warrants exercisable at $0.20 and $0.30 per share. Each warrant consisted of the issuance of 375,000 shares of common stock, fully vested and exercisable over a five-year term. In addition, the Company agreed to pay a commitment fee to Leonite in the form of 5,000,000 shares of the Company's common stock ("Commitment Fee Shares") in connection with the issuance of the $5 million debt commitment. The shares are to be issued on a pro rata basis equal to the amount of the proceeds received on the loan. The maturity date for each tranche advanced is twelve (12) months from the closing of each tranche. The Company received one tranche for $277,778 on October 24, 2022, and the second tranche of $277,777 on November 29, 2022 ("Tranche"). Pursuant to the terms of the Note, the Company was required to pay the principal amount of each Tranche in six (6) equal monthly installments beginning on the date that is seven (7) months after the Advance Date and continuing each month thereafter (the "Principal Payments"). On May 24, 2023, the Company and Leonite amended the Note to extend the commencement of the Principal Payment due dates to August 24, 2023, and continuing each month thereafter. As consideration for the extension, the principal balance of the Note was increased by $45,000, and the Company awarded Leonite 125,000 shares of common stock, with a fair market value of $6,125, and modified its award of Series A Warrants and Series B Warrants, each previously exercisable for 375,000 Common Shares, exercisable at $0.20 and $0.30 per share, respectively, until November 29, 2027, were increased to be exercisable into 562,500 shares each. The warrants were subsequently adjusted due to anti-dilution provisions and both series are now exercisable at $0.02 per share, with 9,375,000 and 14,062,500 Series A and B Warrants outstanding, respectively. The $45,793 aggregate fair value of the modification of the warrants and $6,125 of common stock were included in interest expense for the year ended December 31, 2023. In addition, a total of $121,813 of liquidated damages were added to the loan principal. The Company further entered into a forbearance agreement on May 1, 2025, whereby $5,000 of principal was added to the loan, the warrants were extended until April 30, 2030, and the debt conversion price was amended to be convertible at $0.025 per share if the Company's stock trades at, or above, $0.05 per share for ten consecutive trading days ("Tier-1"), or $0.04 per share if the Company's stock trades at, or above, $0.10 per share for ten consecutive trading days ("Tier-2"). The modification of the debts and warrants resulted in a loss of $505,427, including $5,000 of legal fees, during the year ended December 31, 2025. Paulson Investment Company, LLC facilitated the financing and will be entitled to a cash fee equal to eight percent (8%), and a warrant to purchase eight percent (8%) of the equity securities issued in the financing, or into which the securities issued in the financing are convertible or exercisable.	$ 727,369	$ 727,369

The Company recorded interest expense on the convertible notes as follows:

	March 31, 2026	March 31, 2025
Accrued interest at stated rates	$ 65,928	$ 87,668
Monthly monitoring fee pursuant to default provisions	30,000	30,000
Debt conversion fee	-	2,250
Total interest expense	$ 95,928	$ 119,918

Note 12 – Notes Payable

Notes payable consists of the following at March 31, 2026 and 2025, respectively:

	March 31, 2026	December 31, 2025
On February 20, 2026, the Company received proceeds in the amount of $100,000 from an accredited investor in exchange for an unsecured promissory note, maturing on February 19, 2027 ("the Fifth Beazley Note"). A total of 2,500,000 shares of the Company's common stock was issued in lieu of interest. The fair value of the shares, based on the closing traded price on the date of grant, was $60,000, which is being amortized as a debt discount over the life of the loan. The Company recognized $6,429 of interest expense on the amortization of the debt discount during the three months ended March 31, 2026.	$ 100,000	$ -
On July 1, 2025, the Company issued a promissory note in the amount of $250,000 pursuant to an acquisition of Arris Resources, LLC ("the Arris Note"). The promissory note, bearing interest at 8% per annum, maturing on July 1, 2029, requires three (3) monthly installment payments of $1,667 of interest from August to October 2025, and $6,449 monthly payments of principal and interest thereafter.	248,582	248,582
Total notes payable	348,582	248,582
Less: debt discounts	53,571	-
Less: current maturities	30,698	68,420
Notes payable	$ 264,313	$ 180,162

The Company recorded interest expense on the notes payable as follows:

	March 31, 2026	March 31, 2025
Accrued interest at stated rates	$ 4,903	$ -
Imputed interest	-	2,071
Amortization of debt discounts on common stock	6,429	-
Total interest expense	$ 11,332	$ 2,071

Note 13 – Asset Retirement Obligations

The following is a reconciliation of the asset retirement obligations for the three months ended March 31, 2026 and the year ended December 31, 2025:

Asset retirement obligations, December 31, 2024	$ 1,266,889
Recognition of ARO liability	1,270,138
Accretion expense	3,421
Asset retirement obligations, December 31, 2025	$ 2,540,448
Accretion expense	716
Asset retirement obligations, March 31, 2026	$ 2,541,164

Note 14 – Commitments and Contingencies

Legal Matters
From time to time, the Company may be a party to various legal matters, threatened claims, or proceedings in the normal course of business. Legal fees and other costs associated with such actions are expensed as incurred. The Company assesses, in conjunction with its legal counsel, the need to record a liability for litigation and contingencies. Legal accruals are recorded when and if it is determined that a loss related to a certain matter is both probable and reasonably estimable.

The Keegan LLC v Derrick Resources LLC et al
The Company was involved in a legal proceeding arising in the ordinary course of business. The matter was scheduled for trial in the fall of 2026. On May 7, 2026, the Company entered into a settlement agreement whereby the Company agreed to pay $15,000 to settle a dispute.

The Company had recorded a $15,000 liability to accounts payable pursuant on October 29, 2024, related to this matter in the accompanying financial statements.

Winchester v. United Energy Corp.
The Company is involved in a legal proceeding arising in the ordinary course of business. The court has this matter before it. The plaintiff seeks monetary damages; however, the ultimate outcome of this matter is uncertain.

At this time, the Company is unable to determine the likelihood of an unfavorable outcome and, accordingly, has not recorded a liability related to this matter in the accompanying financial statements. Based on information currently available, management cannot reasonably estimate that the potential loss, if any. The Company intends to vigorously defend itself in this matter.

While the Company believes the resolution of these proceeding will not have a material adverse effect on its financial position, results of operations, or cash flows, litigation is inherently uncertain, and an adverse outcome could differ from management's current expectations.

Note 15 – Stockholders' Equity (Deficit)

Preferred Stock
The Company has 75,000,000 authorized shares of $0.0001 par value preferred stock, 5,000,000 of which, is designated as Series A Preferred Stock and 70,000,000 of which is designated as Series B Preferred. Each share of Series A Preferred Stock carries preferential voting rights of 500 to 1 over common stock. Series A Preferred Stock cannot be converted into common stock and does not receive a dividend. The Company has a total of 5,000,000 shares of Series A Preferred shares issued and outstanding. Samuel Smith was the sole shareholder of the 5,000,000 shares until May 5, 2021 when they were transferred to the Company's new CEO, Brian Guinn. Series B Preferred Stock is convertible into 1.5 shares of common stock. There is no Series B Preferred Stock issued and outstanding.

Common Stock
The Company has 850,000,000 authorized shares of $0.001 par value common stock. As of March 31, 2026, a total of 542,271,351 shares of common stock have been issued.

Debt Financing
On February 20, 2026, the Company received proceeds in the amount of $100,000 from an accredited investor in exchange for an unsecured promissory note, maturing on May 15, 2026 ("the Fifth Beazley Note"). A total of 2,500,000 shares of the Company's common stock was issued in lieu of interest. The fair value of the shares, based on the closing traded price on the date of grant, was $60,000, which is being amortized as a debt discount over the life of the loan.

Common Stock Issued Pursuant to Anti-Dilution Provisions
On February 9, 2026, the Company issued 577,495 shares of common stock in settlement of a subscriptions payable outstanding at December 31, 2025 to an individual pursuant to the anti-dilution provisions within a subscription agreement, dated August 10, 2023, sold to an accredited investor that require quarterly adjustments that entitle the investor to maintain a 4.34% interest in the outstanding common stock of the Company, calculated on a fully-diluted basis over the following two-year period. The aggregate fair value of the common stock was $16,690, based on the closing traded price of the common stock on the date of grant. This issuance was the final issuance pursuant to the terms of the agreement.

Note 15 – Stockholders' Equity (Deficit) (Continued)

Common Stock Sales

On February 26, 2026, the Company sold 1,000,000 units, consisting of 1,000,000 shares of its common stock and an equal number of warrants, exercisable at $0.02 per share over a thirty-six-month period, in exchange for total proceeds of $20,000. The proceeds received were allocated between the common stock and warrants on a relative fair value basis.

On February 13, 2026, the Company sold 200,000 units, consisting of 200,000 shares of its common stock and an equal number of warrants, exercisable at $0.02 per share over a thirty-six-month period, in exchange for total proceeds of $4,000. The proceeds received were allocated between the common stock and warrants on a relative fair value basis.

On February 12, 2026, the Company sold an aggregate 1,900,000 units, consisting of 1,900,000 shares of its common stock and an equal number of warrants, exercisable at $0.02 per share over a thirty-six-month period, in exchange for total proceeds of $38,000. The proceeds received were allocated between the common stock and warrants on a relative fair value basis.

On February 11, 2026, the Company sold 1,250,000 units, consisting of 1,250,000 shares of its common stock and an equal number of warrants, exercisable at $0.02 per share over a thirty-six-month period, in exchange for total proceeds of $25,000. The proceeds received were allocated between the common stock and warrants on a relative fair value basis.

Common Stock Issued for Services

On January 25, 2026, the Company issued 250,000 shares of common stock to an individual for services rendered. The aggregate fair value of the common stock was $5,000, based on the closing traded price of the common stock on the date of grant.

On January 1, 2026, the Company issued 250,000 shares of common stock to an individual for services rendered. The aggregate fair value of the common stock was $5,500, based on the closing traded price of the common stock on the date of grant.

Note 16 – Common Stock Options

Stock Incentive Plan

The Company does not currently have an equity incentive plan in place, and there were no options outstanding at March 31, 2026 or December 31, 2025.

Note 17 – Common Stock Warrants

Outstanding Warrants

Warrants to purchase an aggregate total of 35,600,000 shares of common stock at a weighted average exercise price of $0.016 per share, exercisable over a weighted average remaining life of 3.9 years were outstanding as of March 31, 2026, as retrospectively adjusted for antidilution effects discussed below.

Anti-Dilution Provisions

All of the Company's currently outstanding warrants include anti-dilution provisions, which cause the number of shares and the exercise price to adjust when the Company sells or grants any option to purchase or sell or grants any right to reprice, or otherwise disposes of or issues, any common share or other securities convertible into, exercisable for or otherwise entitled any person or entity the right to acquire common shares at an effective price per share that is lower than the then Exercise Price (such lower price, the "Base Exercise Price" and such issuances, collectively, a "Dilutive Issuance") (it being agreed that if the holder of the Common Share or other securities so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive common shares at an effective price per share that is lower than the Exercise Price, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance), then (i) the Exercise Price shall be reduced to a price equal the Base Exercise Price, and (ii) the number of Warrant Shares issuable shall be increased such that the aggregate Exercise Price payable, after taking into account the decrease in the Exercise Price, shall be equal to the aggregate Exercise Price prior to such adjustment.

Warrants granted

As disclosed in Note 16, above, the Company issued warrants, exercisable at $0.02 per share over a thirty-six-month period, in exchange for total proceeds of $87,000 pursuant to unit sales from February 11, 2026 through February 26, 2026

No warrants were exercised, cancelled or expired during the three months ended March 31, 2026.

Note 18 – Segment Reporting

Operating segments are defined as components of an enterprise with separate financial information, which are evaluated regularly by the chief operating decision maker ("CODM") and are used in resource allocation and performance assessments. The Company's Chief Executive Officer is the Company's CODM. The Company is organized and operates as one operating and reportable segment that is engaged in the exploration and production of oil and natural gas properties, including assets and operations in Texas, Oklahoma, Kansas, and Louisiana.

The Company's CODM reviews financial information and operational forecasts presented on a consolidated basis for the purpose of making operating decisions and assessing financial performance. The Company's CODM assesses performance for the Company's single reportable segment based on the Company's net income (loss) as reported on the consolidated statements of operations.

Note 19 – Income Taxes

The Company accounts for income taxes under FASB ASC 740-10, which requires use of the liability method. FASB ASC 740-10-25 provides that deferred tax assets and liabilities are recorded based on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, referred to as temporary differences.

The Company recorded no income tax expense for the nine months ended December 31, 2025 and 2024. The Company incurred net operating losses during each period, which generated deferred tax assets related primarily to net operating loss carryforwards. Deferred tax assets and liabilities are recognized for temporary differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates expected to apply in the periods in which such differences reverse.

Due to cumulative losses and uncertainties surrounding the Company's ability to generate future taxable income, management has determined that it is more likely than not that the deferred tax assets will not be realized. Accordingly, the Company has recorded a full valuation allowance against its deferred tax assets as of March 31, 2026. The effective income tax rate is not meaningful for the interim period.

In accordance with FASB ASC 740, the Company has evaluated its tax positions and determined there are no uncertain tax positions.

Note 20 – Subsequent Events

The Company evaluates events that have occurred after the balance sheet date through the date hereof, which these financial statements were issued. No events occurred of a material nature that would have required adjustments to or disclosure in these financial statements except as follows:

<u>Common Stock Sales</u>
On April 30, 2026, the Company sold 2,500,000 shares of its common stock to an accredited investor at $0.04 per share in exchange for proceeds of $100,000.

On April 30, 2026, the Company sold 5,000,000 shares of its common stock to an accredited investor at $0.04 per share in exchange for proceeds of $200,000.

On April 28, 2026, the Company sold 5,625,000 shares of its common stock to an accredited investor at $0.04 per share in exchange for proceeds of $225,000.

<u>Common Stock Issued for Services</u>
On April 25, 2026, the Company issued 250,000 shares of common stock to an individual for services rendered. The aggregate fair value of the common stock was $10,875, based on the closing traded price of the common stock on the date of grant.

On April 1, 2026, the Company issued 250,000 shares of common stock to an individual for services rendered. The aggregate fair value of the common stock was $4,750, based on the closing traded price of the common stock on the date of grant.

Note 20 – Subsequent Events (Continued)

Common Stock Issued Pursuant to Debt Conversions

On April 15, 2026, the Company issued 13,774,795 shares of common stock to Leonite pursuant to the conversion of $206,622 of interest on its senior secured convertible note, including $2,250 of conversion fees, at a conversion rate of $0.015 per share. The debt was converted in accordance with the terms of the note; therefore, no gain or loss was recognized on the conversion.

On April 13, 2026, the Company issued 15,700,000 shares of common stock to Leonite pursuant to the conversion of $235,500 of interest on its senior secured convertible note, including $2,250 of conversion fees, at a conversion rate of $0.015 per share. The debt was converted in accordance with the terms of the note; therefore, no gain or loss was recognized on the conversion.