



**SANGUINE
RESOURCES**

ENERGY INVESTMENTS & OPPORTUNITIES

Strategic development of shallow vertical wells in Kansas provides a cost-efficient entry into proven oil reserves, balancing lower drilling expenditures with attractive production potential.

**Cost-Effective Shallow
Vertical Oil & Gas Wells**

Investors gain access to joint ventures alongside industry-leading operators such as Chevron, EOG, Devon, and Matador, ensuring operational excellence, reduced risk, and maximized asset performance.

**Direct Participation in Oil Resource
Plays with Reputable Top US
Operators**

Acquiring producing assets with structured payout timelines provides predictable cash flow, accelerated return on investment, and long-term reserve appreciation.

**Three-Year Existing
Production
Acquisition Payouts**

Innovative utilization of produced natural gas for powering cryptocurrency mining operations transforms byproduct energy into high-value digital assets, diversifying revenue streams while reducing environmental impact.

**Natural Gas-Powered
Crypto Mining from
Existing Oil & Gas
Production**

Kansas Strong Oil Production

Kansas Oil Investments

- Kansas produces ~\$6 million in oil per day.
- Nearly 500,000 wells drilled historically with extensive infrastructure in place.
- Large network of local vendors and service companies enables fast, low-cost project execution.
- Oil-friendly regulatory environment supports development.

Strong Production Base

Favorable Economics

- Investors participate with high net revenue interest (80%+).
- Low operational costs maximize profitability.
- Attractive cost-to-oil ratio:
 - Drilling: \$175K–\$200K (~4K–5K barrels at current prices).
 - Completion: \$250K–\$400K (~4K–7K barrels at current prices).

Modern Exploration & Production Techniques

- 3-D Seismic (subsurface sonar) reduces structural risk.
- Advanced stimulation (fracturing & polymer flooding) revitalizes previously uneconomic zones.

Long-Life Asset Potential

- Typical well depth: 3300'–5,000'.
- Strong wells may produce 50K–300K barrels of oil.
- Field discoveries often exceed individual well estimates.
- Assets deliver 20–60 years of production and upside with rising oil prices.

Tax Advantages

- Eligible for Intangible Drilling Cost deductions and Depletion Allowance.
- Investors should consult with a tax advisor for individual impacts.

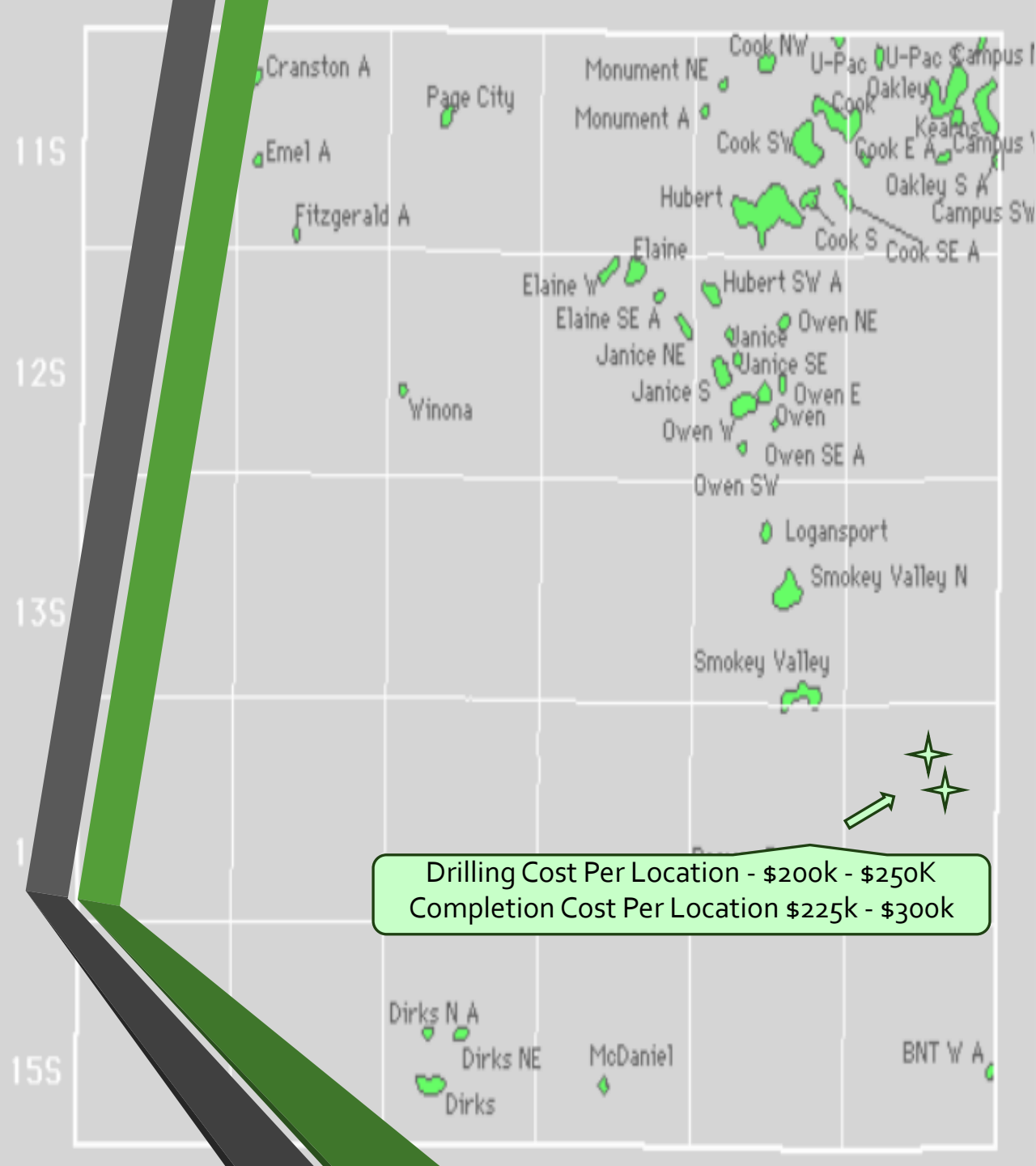
ELLIS COUNTY, KANSAS PROSPECT



SINGLE LOCATION PROSPECT – RTD
(80%NRI 100%WI Available)

Drilling Cost = \$155k – \$200k
Completion Costs - \$225k - \$300k

- **Proven Oil Region** – Ellis County sits on established, oil-rich formations with a long history of successful drilling.
- **Attractive Entry Costs** – Drilling and operational expenses are significantly lower than major shale plays, maximizing returns.
- **High Net Revenue Interest** – Typical wells provide 80%+ ownership of production revenue, meaning more dollars flow directly to investors.
- **Predictable Long-Term Cash Flow** – Shallow, conventional wells in this region often produce steadily for decades, generating mailbox money.
- **Strong Local Infrastructure** – Existing pipelines, tank batteries, and trucking reduce startup costs & accelerate revenue timelines.
- **Rapid Time to Production** – Projects can often move from drilling to revenue in a matter of weeks, not years.
- **Low Operating Expenses** – Shallow vertical wells come with reduced lifting and maintenance costs, protecting margins even in lower oil-price cycles.
- **Stable Decline Curves** – Unlike shale wells with steep drop-offs, Ellis County wells provide smoother, more predictable production.



Drilling Cost Per Location - \$200k - \$250k
Completion Cost Per Location \$225k - \$300k

LOGAN COUNTY, KS

Two Well Prospect – (100% WI Available 80% NRI)



•Proven Long-Term Oil Resource

- Over **23 million barrels of cumulative production** through early 2025.
- Demonstrates decades of sustained output and reliability.

•Strong Historic Peak Performance

- Production reached **1.35 million barrels in 2014**, proving high-yield potential.

•Active Well Infrastructure

- Nearly **1,900 wells on record**, with **~299 currently producing**.
- Established drilling and service capacity lowers barriers for future development.

•Current Steady Output

- Producing **~30K–40K barrels per month** as of early 2025.
- Consistent baseline provides reliable cash flow.

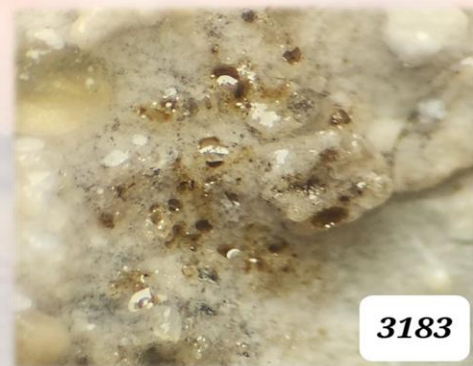
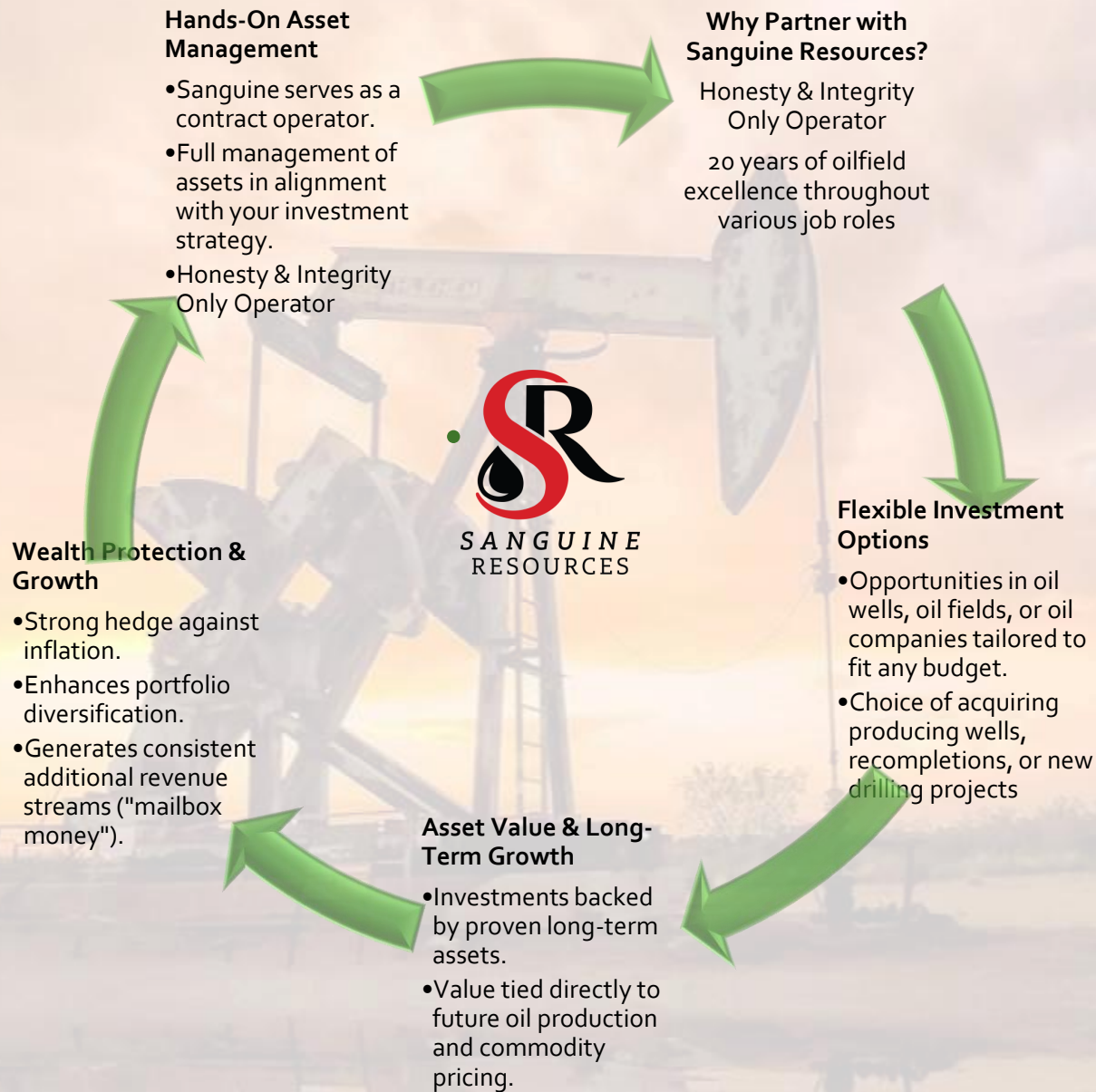
•Operator Diversity

- Multiple established producers (Berexco, Murfin, Vess Oil, Ritchie, Shakespeare Oil, etc.) already active.
- Competition and collaboration potential reduce risk and validate the area's strength.

•High production yields

- Osage Exploration's Wolf 1-29 well in Logan County achieved an impressive **average initial production of ~1,185 barrels of oil equivalent per day**, with 85% crude oil and 15% natural gas.
- Another horizontal Mississippian well in northern Logan County has been producing **over 600 barrels per day**, signaling robust resource potential.

Existing Production Acquisitions





Low-Risk Oil Resource Plays with Leading Operators

Partnering with Chevron, EOG, and Matador for Stable Growth





Why Partner with Top Operators?



- **Proven Track Record of Success**
 - Partnering with world-class operators minimizes operational uncertainty.
 - Companies like Chevron, EOG, and Matador have decades of experience and strong balance sheets.
- **Low Geological Risk**
 - These operators focus on highly delineated plays (e.g., the Permian Basin, Eagle Ford)
 - Reduces the uncertainty of exploratory drilling.
- **Operational Excellence**
 - Industry-leading drilling and completion techniques maximize well productivity.
 - Superior safety, environmental, and compliance standards protect investors.
- **Efficient Capital Deployment**
 - Large operators negotiate better service rates and optimize supply chains.
 - Lowers per-well costs and increases investor returns.
- **Consistent Cash Flow Potential**
 - Low-risk projects with proven reserves offer more predictable production curves.
 - Allows for steady income from oil and gas sales.
- **Access to Premier Resource Plays**
 - Chevron, EOG, and Matador operate in tier-one basins with the lowest breakeven costs in the world.
 - Positions investors to benefit even during commodity price fluctuations.
- **Strong Alignment with Market Leaders**
 - Collaboration with these operators signals credibility and confidence to other stakeholders.
 - Enhances long-term asset value and exit opportunities.



Natural Gas-Powered Crypto Mining

(Bitcoin/Alt Coins)

- **Monetizes Stranded or Flared Gas** – Converts otherwise wasted natural gas into revenue through Bitcoin or crypto mining.
- **Environmental Benefit** – Reduces harmful flaring emissions by capturing gas for productive use.
- **Low-Cost Energy Source** – Natural gas provides abundant, cheap, and reliable energy, lowering mining operating costs.
- **Scalable & Mobile Operations** – Mining units can be deployed directly at well sites, utilizing energy at the source.
- **Hedge Against Volatile Energy Markets** – Provides an alternative revenue stream for oil & gas producers.
- **Supports Grid Independence** – Off-grid operations avoid transmission costs and grid dependence.
- **Alignment with ESG Goals** – Reframes gas utilization as a sustainable practice by reducing waste and emissions.

Direct Access To Profitable Oil & Gas Ventures

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