GROOIL, LLC

PARTICIPATION AGREEMENT

August 4th, 2026

DEVELOPMENT OPPORTUNITY IN THE HEELER PROSPECT (DALLY UNIT 1H) – ATASCOSA COUNTY, TEXAS (EAGLE FORD SHALE)

AN INVESTMENT IN THIS ACQUISITION INVOLVES A HIGH DEGREE OF RISK AND LACK OF LIQUIDITY. THERE CAN BE NO ASSURANCES THAT INVESTMENT OBJECTIVES WILL BE REACHED.

THE INTERESTS OFFERED HEREBY ARE BEING OFFERED TO A LIMITED NUMBER OF ACCREDITED INVESTORS. THE INTERESTS ARE OFFERED IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION, UNDER (I) SECTION 4(2) OF THE SECURITIES ACT AND IN COMPLIANCE WITH RULES 502 AND 506 PROMULGATED THEREUNDER AND (II) SECTION 3(B) OF THE SECURITIES ACT AND IN COMPLIANCE WITH RULES 502 AND 505 PROMULGATED THEREUNDER. THE INTERESTS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR APPROVED, DISAPPROVED, RECOMMENDED OR ENDORSED BY THE COMMISSION, ANY STATE SECURITIES COMMISSION, OR ANY OTHER REGULATORY AGENCY, NOR HAVE THE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AGENCY PASSED UPON THE ACCURACY, COMPLETENESS OR ADEQUACY OF THIS PARTICIPATION AGREEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL AND A CRIMINAL OFFENSE.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PARTICIPATION AGREEMENT, IF ANY, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY GROOIL OR ITS AGENTS. WE WILL MAKE AVAILABLE TO YOU THE OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, US CONCERNING THE TERMS AND CONDITIONS OF THIS PARTICIPATION AGREEMENT AND TO OBTAIN ADDITIONAL INFORMATION, TO THE EXTENT SUCH INFORMATION IS POSSESSED OR CAN BE OBTAINED WITHOUT UNREASONABLE EFFORT, THAT IS NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED HEREIN.

YOU ARE NOT TO CONSTRUE THE CONTENTS OF THIS PARTICIPATION AGREEMENT (OR ANY PRIOR OR SUBSEQUENT COMMUNICATION FROM US, OUR AFFILIATES AND THEIR EMPLOYEES, OR ANY PROFESSIONALS ASSOCIATED WITH THIS OFFERING) AS LEGAL ADVICE. YOU SHOULD CONSULT YOUR OWN PERSONAL COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO THE LEGAL, TAX, ECONOMIC AND RELATED MATTERS CONCERNING THE INVESTMENT DESCRIBED HEREIN AND ITS SUITABILITY FOR YOU.

THIS PARTICIPATION AGREEMENT IS NOT INTENDED TO BE EVIDENCE OF A PARTNERSHIP NOR DO WE INTEND FOR THIS AGREEMENT TO CONSTITUTE A PARTNERSHIP.

DUE TO THE ABSENCE OF ANY PUBLIC OR OTHER MARKET FOR THE SALE OF THE WORKING INTERESTS AND BECAUSE OF THE RESTRICTIONS ON TRANSFER OF THE WORKING INTERESTS, YOU WILL BE REQUIRED TO RETAIN YOUR WORKING INTERESTS FOR AN EXTENDED PERIOD.

THE TRANSFER OF THE INTERESTS ACQUIRED IN CONNECTION HEREWITH ARE RESTRICTED UNDER THE TERMS HEREUNDER AND UNDER SECURITIES LAWS. THE WORKING INTERESTS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND THUS NO PUBLIC MARKET FOR THE WORKING INTERESTS NOW EXISTS OR IS ANTICIPATED TO DEVELOP. YOU WILL NOT, IN ALL LIKELIHOOD, BE ABLE TO LIQUIDATE YOUR INVESTMENT IN THE PROJECT OR WELLS WHEN YOU MIGHT WANT TO.

THERE ARE MATERIAL INCOME TAX RISKS ASSOCIATED WITH THIS INVESTMENT. THE PARTICIPATION AGREEMENT HAS NOT BEEN PREPARED FOR ANY "TAX SHELTER" PURPOSES AND IS NOT INTENDED TO GENERATE DEDUCTIONS FOR ITS INVESTORS TO REDUCE TAX LIABILITIES FROM OTHER INCOME SOURCES. FEDERAL INCOME TAX RISKS ARE INVOLVED WITH INVESTMENT IN INTERESTS. NO REPRESENTATION IS MADE OR HAS BEEN MADE REGARDING THE DEDUCTIBILITY OF ANY INVESTMENT.

YOU ARE RESPONSIBLE TO SATISFY YOURSELF AS TO FULL OBSERVANCE OF THE LAWS OF ANY RELEVANT TERRITORY OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY SUCH PURCHASE, INCLUDING OBTAINING ANY REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER APPLICABLE REQUIREMENTS.

THE INFORMATION CONTAINED IN THIS PARTICIPATION AGREEMENT IS CONFIDENTIAL AND PROPRIETARY AND IS BEING SUBMITTED TO YOU SOLELY FOR YOUR CONFIDENTIAL USE WITH THE EXPRESS UNDERSTANDING THAT, WITHOUT THE PRIOR EXPRESS WRITTEN PERMISSION OF GROOIL, YOU WILL NOT RELEASE THIS DOCUMENT OR DISCUSS THE INFORMATION CONTAINED HEREIN OR MAKE REPRODUCTIONS OF OR USE THIS PARTICIPATION AGREEMENT FOR ANY PURPOSES OTHER THAN EVALUATING A POTENTIAL INVESTMENT IN THE INTERESTS.

YOU MUST RELY ON YOUR OWN EXAMINATION OF THE PARTICIPATION AGREEMENT FOR THE TERMS OF THE INVESTMENT AND THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION WITH RESPECT TO THE INTEREST TO BE ACQUIRED HEREUNDER.

YOUR EXECUTION OF THE SUBSCRIPTION AGREEMENT CONTAINED HEREIN BY AN INVESTOR CONSTITUTES AN UNCONDITIONAL OBLIGATION OF YOU TO PURCHASE THE INTEREST. YOU WILL NOT HAVE THE RIGHT TO WITHDRAW YOUR SUBSCRIPTION OR PAYMENT. WE RESERVE THE RIGHT TO REJECT ANY SUBSCRIPTION FOR ANY REASON, AND NO SALE OF ANY INTEREST WILL BE DEEMED TO HAVE OCCURRED UNTIL WE HAVE ACCEPTED YOUR SUBSCRIPTION. SUBSCRIPTIONS NEED NOT BE ACCEPTED IN THE ORDER RECEIVED. PAYMENTS FOR SUBSCRIPTIONS NOT ACCEPTED WILL BE PROMPTLY REFUNDED UPON THE REJECTION OF SUCH SUBSCRIPTION, WITHOUT INTEREST.

Participants:

This will evidence our agreement relative to the financing, acquisition and operations in the interests in the following described well. The parties to this Participation Agreement are hereinafter referred to individually as a "Party," collectively as the "Parties" or "Participants," or by a portion of their proper name.

Exhibit "A" – Land Summary/Legal Description
Exhibit "B" – Operating Agreement

1. The Property

Grooil, LLC (hereinafter referred to as "Grooil") represents that it has acquired, pursuant to a Participation Agreement with Alvarado 2014 LLC ("Alvarado") dated effective July 23, 2026, the right to a working interest, carrying a corresponding net revenue interest, in a horizontal well known as the Dally Unit 1H (the "Well" or the "Project"), to be drilled in the Heeler Prospect, a 1,018 net mineral acre leasehold position located in Atascosa County, Texas, targeting the Lower Eagle Ford Shale formation. The Well is expected to be drilled and operated by Alvarado, which serves as operator of the Project under a Joint Operating Agreement dated July 23, 2026 (the "Operating Agreement"). Grooil will hold the working interest of record (by assignment from Alvarado, to be delivered within 30 days after the well completion report is filed with the Texas Railroad Commission) and Grooil is the sole party to the Operating Agreement with respect to its interest. Grooil is offering Participants the opportunity to acquire a participation interest in Grooil's working interest in the Project on the terms set forth in this Participation Agreement.

Participant's rights under this Participation Agreement are contractual rights against Grooil only. Participant will not be a party to, and will have no direct contractual relationship with, Alvarado or the Operating Agreement, will not appear as a working interest owner of record with Alvarado, and will not be listed among the participants recognized in the Operating Agreement. Grooil will collect all revenues attributable to its working interest from Alvarado and will remit to Participant its proportionate share thereof, net of Participant's proportionate share of costs, together with periodic revenue and settlement statements.

There is no warranty of title to the Project. Any failure of title will be a joint loss and there is no refund or offset in the event of a failure of title. The leases underlying the Project are believed to be in force and to cover the mineral interest therein described; however, NO OTHER WARRANTY OF TITLE IS HEREBY GIVEN, EXPRESS OR IMPLIED. THIS MEANS THAT IN THE EVENT TITLE SHOULD FAIL, PARTICIPANT WILL BEAR ITS PROPORTIONATE PART OF THE TITLE FAILURE AND THERE WILL BE NO REFUND OF ANY CONSIDERATION PAID FOR THE SUBJECT PROJECT. The Project is further subject, however, to (i) the terms and conditions of each individual lease, (ii) the terms and conditions of the various contractual instruments, assignments, farmout agreements, operating agreements and any other similar or dissimilar instrument, whether of record or not, affecting any individual lease or Project and (iii) all existing royalties, overriding royalties and other burdens on production now or hereafter affecting the Subject Project.

2. Well Interests

2.1 It is the intent of this Participation Agreement to convey to the Participant a participation interest in Grooil's working interest and net revenue interest in the Project, entitling Participant to its pro rata share of production revenues, if any, from the Well, net of its pro rata share of drilling, completion, and operating costs, for so long as Participant continues to hold its interest, subject to the terms of the Operating Agreement (Exhibit "B").

2.2 The "Property Acquisition Cost" of the Property shall be $100,000.00 per 1% working interest in the Project, payable in full at the time Participant executes this Agreement. This amount represents Participant's proportionate share of Grooil's cost of acquiring and funding its working interest in the Project, including lease acquisition, drilling, and completion costs, plus Grooil's fee for structuring and administering the participation. Actual well costs may be more or less than current estimates; Grooil bears the risk (and the benefit) of any variance from current estimates once Participant has paid its Property Acquisition Cost in full, except as provided in the forfeiture risk disclosure below.

2.3 Grooil will keep an accurate record of all charges, credits, and revenues received from Alvarado in connection with the Project, and will provide Participant with periodic revenue and settlement statements reflecting Participant's proportionate share thereof.

3. Operating Agreement

3.1 The Joint Operating Agreement ("Operating Agreement"), dated July 23, 2026, between Alvarado and the working interest owners of the Project (including Grooil), is attached hereto and made a part hereof for all purposes as Exhibit "B". The Operating Agreement shall control all operations on the Project. Participant is not a party to, and has no direct rights or obligations under, the Operating Agreement; Grooil alone is bound by its terms with respect to its working interest. In the event of a conflict between this Participation Agreement and the Operating Agreement, this Participation Agreement shall prevail as between Grooil and Participant.

4. Property Acquisition Cost

4.1 As consideration for the acquisition of the Property, Participant is paying to Grooil the sum of $100,000.00 per 1% working interest (the "Property Acquisition Cost"), payable in full upon execution of this Agreement, for the acquisition of a participation interest in Grooil's working interest and corresponding net revenue interest in the Well. Following the drilling and completion of the Well, Grooil will account to Participant for its proportionate share of revenues, net of its proportionate share of operating expenses, as and when Grooil receives the same from Alvarado.

4.2 "Property Acquisition Cost" shall represent the full, one-time amount charged by Grooil for Participant's participation interest, covering Participant's proportionate share of the estimated costs to acquire the leasehold, drill, and complete the Well. Participant will not be subject to additional cash calls for the initial drilling and completion of the Well; however, Participant's ongoing interest will bear its proportionate share of subsequent operating costs and any future operations Participant elects to participate in, as provided in the Operating Agreement.

5. Acquisition of the Project

5.1 All Parties hereto acknowledge and agree this Participation Agreement covers the acquisition of a participation interest in Grooil's working interest and net revenue interest in the Project, and any subsequent operations thereon, for so long as Participant continues to hold such interest, subject to the terms of the Operating Agreement.

5.2 IMPORTANT RISK DISCLOSURE: Under Grooil's Participation Agreement with Alvarado, Grooil must pay its share of dry hole costs and a one-time spud fee within thirty (30) days after Alvarado gives written notice of the spudding of the Well (spud currently expected on or about September 30, 2026), and must fund Alvarado's cash calls for completion costs (targeted before December 31, 2026) on short notice. If Grooil fails to timely pay any of these amounts, Grooil forfeits its entire working interest in the Project and all sums previously paid to Alvarado, without refund. Grooil intends to hold Participant funds in reserve and remit them to Alvarado on the required schedule, but Participant should understand that Grooil's ability to meet these deadlines, and therefore the security of Participant's interest, depends on Grooil's timely collection and administration of participant funds across the Project.

6. No Assignment

6.1 Because Participant's rights hereunder consist of a participation interest in Grooil's working interest, rather than a directly assigned working interest of record, no assignment will be filed of record on Participant's behalf, and Participant will not be a party to, or have any direct contractual relationship with Alvarado under, the Operating Agreement. Grooil will remain the working interest owner of record (upon assignment from Alvarado following well completion) and the party to the Operating Agreement. This Participation Agreement will be the written agreement between Grooil and Participant.

7. Miscellaneous

7.1 The Parties or their representatives shall have the right, from time to time, by appointment through Grooil, during convenient normal business hours, to review, copy and interpret all Well data at Grooil's office.

7.2 All notices, payments, demands, requests or other communications required or permitted to be given pursuant to this Participation Agreement shall be in writing and may be given to the Parties either (i) in person, (ii) by United States mail, certified or registered, return receipt requested, postage prepaid, (iii) by prepaid telegram, telex, cable, telecopy, or similar means (with signed confirming copy to follow by first class mail), or (iv) by any other method permitted by law, at the addresses below.

7.3 This Participation Agreement may not be assigned by the Participant, in whole or in part, without the written consent of Grooil being first obtained, which consent shall not be unreasonably withheld.

7.4 This Participation Agreement is not intended to create and shall not be construed to create a relationship of partnership. Notwithstanding any provision herein, the rights and liabilities of the Parties hereunder shall be several and not joint or collective.

7.5 This Participation Agreement may be executed in multiple counterparts, each of which for all purposes is deemed an original, but all such counterparts together shall constitute one and the same instrument.

7.6 This Participation Agreement will extend to and be binding upon all the Parties hereto, their representatives, successors and assigns.

7.7 THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS WITH VENUE IN DALLAS COUNTY AND SHALL BE SUBJECT TO ALL APPLICABLE STATE AND FEDERAL LAWS, RULES AND REGULATIONS OF PUBLIC BODIES HAVING JURISDICTION OVER ANY PROJECT. The prevailing party in any litigation shall recover all legal costs of any kind including, but not limited to, all attorney's fees, court costs, filing fees, expert

witness fees and any other costs both direct and indirect associated with the litigation. The non-prevailing party shall fund to the prevailing party the full amount of said reimbursement within thirty (30) days from the conclusion of any trial, hearing, ruling or appeal.

7.8 This agreement constitutes the entire agreement of the parties and supersedes any and all prior understandings of any kind whether in writing or oral, all of which are merged herein. Absolutely no oral agreements or understandings are valid whatsoever.

7.9 All of the terms and provisions of this Agreement are expressly made subject to all federal, state and local laws and to all orders, rules, regulations and standards issued thereunder by all duly constituted government agencies having jurisdiction, and this agreement shall ipso facto be considered supplemented and amended accordingly to make this agreement conform and subject thereto.

7.10 The parties hereto agree to cooperate with each other and effectuate any documents necessary to conform to any law of any kind or for post-closing issues.

8. Participant Acknowledgements and Representations

Participant makes the following acknowledgements and representations:

8.1 I agree to purchase ________% working interest in the interest being acquired in the Property along with a check made payable to GROOIL, LLC in the amount of $_______________ for such ________% working interest to be acquired, which represents Participant's proportionate share of the estimated costs to drill and complete the Well in the Eagle Ford Shale. Each 1% working interest will receive a 0.75% net revenue interest (or as actually exists — e.g., Grooil is not retaining any overriding royalty interest); accordingly, Participant's ________% working interest will receive an approximate ________% net revenue interest.

Participant shall execute two (2) copies of this document and two originals shall be sent or delivered to Grooil at the company's mailing address. Grooil shall execute one (1) original copy and send back to Participant.

8.2 I acknowledge that I have received a copy of the materials and all exhibits thereto setting forth information relating to this acquisition, its terms and conditions of an investment in the acquisition, as well as received any other information I deem necessary or appropriate to evaluate the merits and risks of an investment in this acquisition. I further acknowledge that I have had the opportunity to ask questions of, and to receive answers from, representatives of Grooil concerning any aspect of this acquisition.

8.3 I understand that the purchase in the above referenced acquisition is being made pursuant to an exemption from registration from the Securities and Exchange Commission afforded by Section 4(2) of the Securities Act of 1933 ("the Act"), as amended, relating to the offer and sale of securities in a transaction not involving any public offering. In addition, I recognize that the purchase is being made pursuant to an exemption from registration from the State of Texas. I understand that investing in this acquisition can be construed as speculative and there is no guarantee on the amount or quantity of oil and gas to be produced from this Property. I further understand there are many risks in the oil and gas business and numerous various risks associated with the operation of oil and gas properties that can make this project speculative with a chance of losing the investment. Further, I understand and acknowledge that I can have liabilities in excess of my investment in the Property and, if so, I may be required to contribute to the satisfaction of those liabilities from sources unrelated to this investment.

8.4 I am making the investment for my own account and not for the account of others, and not buying an interest for the purpose of reselling, transferring, subdividing or otherwise disposing of all or a portion of the interest so purchased.

8.5 I represent I am experienced and knowledgeable in business and financial matters and in oil and gas investments in general and I am capable of evaluating the merits and risks of this investment.

8.6 I understand no state or federal government authority has made any finding or determination relating to the fairness for investment in this acquisition, and that no state or federal government authority has recommended or endorsed, or will recommend or endorse, the investment in this acquisition.

8.7 I represent that I am financially able to comply with all obligations hereunder, and such obligations do not constitute a material part of my net worth. I also represent that my total investment in this acquisition is less than twenty percent (20%) of my current financial net worth, exclusive of residence, residential furnishings, automobiles, and other personal property, and I am not borrowing any moneys specifically to make this investment.

8.8 I was not contacted by Grooil through any method of public solicitation.

8.9 I hereby warrant that no representations, warranties or guarantees have been made to me by Grooil as to the tax consequences of this investment, or as to any profits, losses, or cash flow which may be received or sustained as a result of this investment, and that my decision to invest in this acquisition has been based solely on written information and not by any oral statements made by Grooil, their agents, or employees.

8.10 I understand this investment is risky and not insured by any governmental agency. I am also aware of the many other risks in the oil and gas business and have had enough experience in the industry to know that oil and gas prices fluctuate, there can be cost overruns, reserves can be less than expected and that tax and other laws affecting the business can be changed. I represent that I am fully apprised of the many risks in the oil and gas business and no assurances have been made to me by Grooil.

The Parties shall kindly return one (1) accepted copy of this Participation Agreement and the Party's Property Acquisition Cost to Grooil, on or before October 1, 2026. If this Participation Agreement is not timely accepted and returned by the Parties with the Party's corresponding Property Acquisition Cost, this Participation Agreement shall be considered null and void. In the event Grooil does not sell all of the interests offered, Grooil may acquire interests for its own account, or may elect to return to Participant the money advanced by it and Participant shall have no further interest in, or liability in, this venture.

9. Participant Certification

Participant certifies that he/she is an accredited investor (please check the box(es) that apply):

__________ I am a natural person whose net worth (or joint net worth with spouse) will exceed $1,000,000 at the time of purchase.

___________ I am a natural person who has had, during each of the last two years, an individual income in excess of $200,000, and I reasonably expect to have individual income of at least $200,000 in the current year (or, together with my spouse, I have had, during each of the past two years, joint income in excess of $300,000, and I reasonably expect that our joint income will be at least $300,000 in the current year).

AGREED TO AND ACCEPTED this ________________________ day of ________________________, 2026.

____ ____
Name of Participant Signature of Participant

____
Address

____ ____
Phone Number Email