

ROYALE ENERGY, INC.



THE OXFORD CLUB

SILVER ANNIVERSARY CERTIFICATE
PRESENTED TO

Royale Energy

IN DEEP APPRECIATION OF YOUR MANY OUTSTANDING
CONTRIBUTIONS TO THE OXFORD CLUB'S 25+ YEARS OF SUCCESS.

THANK YOU FOR YOUR GENIUS IDEAS, TALENTED
COMMUNICATIONS AND THOUGHTFUL GUIDANCE.

Julia C. Guth
JULIA C. GUTH
MARCH 2015

MONEYSHOW®

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**Royale Energy MoneyShow
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The background of the slide is a landscape photograph showing a body of water in the foreground, a range of mountains in the middle ground, and a hazy sky. The entire image is framed by a dark blue border.

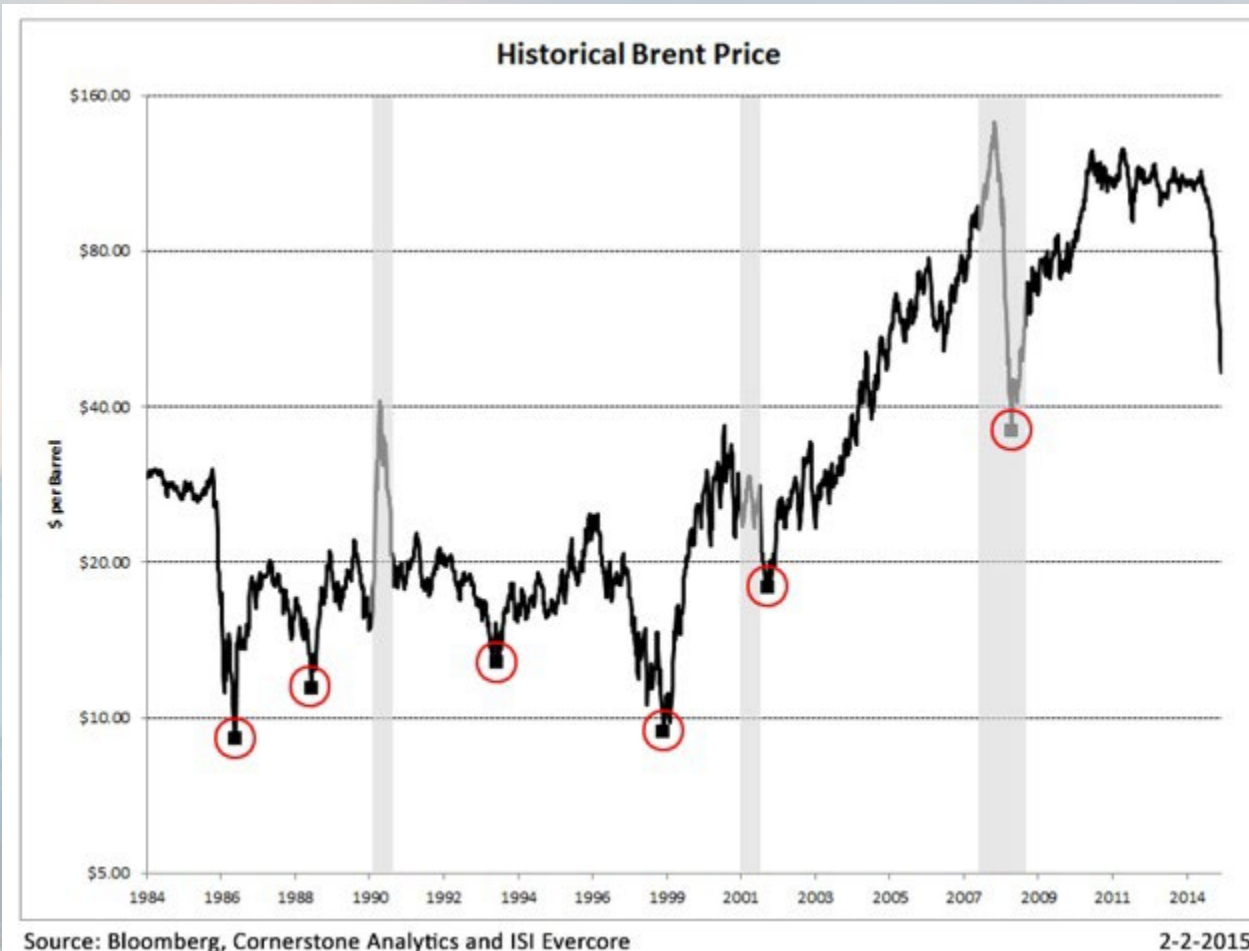
Live and Invest **OVERSEAS**



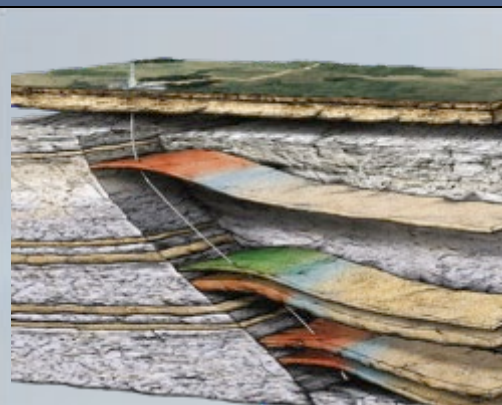
Oil Release Wasn't Strategic Enough

Bloomberg

Since 1984, Brent Crude Oil has had six major moves down. All of them were followed by a V-shaped recovery!



We expect the supply response to be faster today than in previous cycles as the world is more dependent on oil from shale wells, which have a higher base decline rate than conventional oil wells. We have already seen the oil rig count fall by 24% (386 rigs) from the Q4 highs. We saw a similar move in 2008 when the oil rig count fell 23% in three months, but that was when the peak was 442 rigs compared to over 1,600 rigs in October







Occidental Petroleum Completes Spin-off of California Resources Corporation (CRC)

HOUSTON, December 1, 2014- Occidental (NYSE:OXY) today announced it has completed the spin-off of its subsidiary California Resources Corporation (NYSE:CRC). California Resources, which begins “regular way” trading today on the New York Stock Exchange as a stand-alone company, is an independent oil and natural gas exploration and production company focused on high-growth, high-return conventional and unconventional assets exclusively in California.



Royale Energy Reaches Development Agreement

San Diego, October 8, 2015 - Royale Energy, Inc. announced that it has reached an agreement, with a major independent exploration and production company, to develop 1,300 acres in the Sacramento Basin Grimes Field. This agreement allows Royale to drill up to three wells targeting a 3D seismically defined amplitude. The seismic event is clearly correlated to the nearby productive natural gas horizon and shows a sizable target with multiple well follow up potential.

Royale is pleased to enter into the first of what it believes to be a series of development opportunities with an industry participant of this caliber.

“I am excited to have the opportunity to establish a relationship of this nature,” said Stephen Hosmer, “and look forward to the reserve and production growth for both of our companies.”



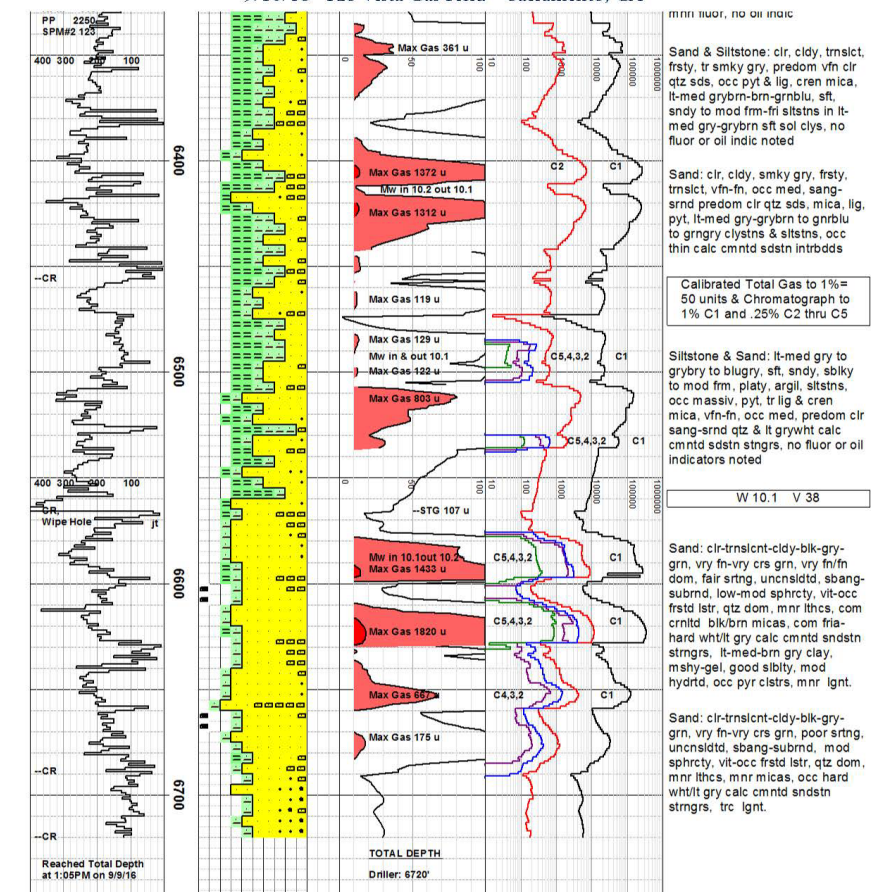
Royale Energy Expands Development Agreement

San Diego, October 22, 2018 - Royale Energy, Inc. announced that it has reached an agreement with California Resources Corporation (CRC) to expand their joint development agreement to include the Rio Vista field. The Rio Vista field is the largest natural gas field in California and the 15th largest in the country.

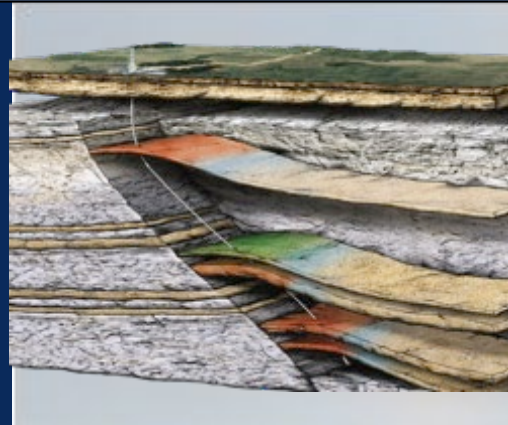


CRC RVGU #8-1

9/10/16 Rio Vista Gas Field - Sacramento, CA



Royale Energy Finalizes Matrix Merger



March 8th, 2018: Royale Energy, Inc. (OTCQB: ROYL) and privately held Matrix Oil Management Corporation (“Matrix”) jointly announced the closing and completion of the merger between Royale and Matrix.

The completion of this strategic transaction creates a high-growth California-focused operating company with an executive team experienced in raising accretive capital and acquiring, operating and developing successful oil and gas projects.



Highlights of Matrix:

- * 9.1 million BOE of proved reserves with a PV-10 value of \$58.8 million based on SEC pricing, as estimated by Matrix’s internal engineering staff as of December 31, 2016
- * 10,036 net acres across 14 fields located primarily in California and West Texas
- * Approximately 320 BOE per day of net production for the fourth quarter of 2017
- * More than 75 proved undeveloped drilling locations across California and West Texas
- * Core management team has more than 195 combined years of technical and operating experience



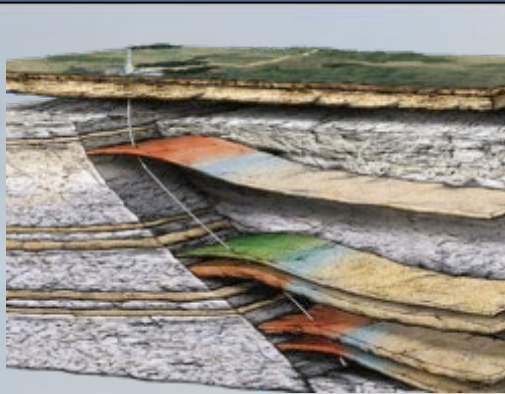


ROYALE ENERGY



BLACK GOLD DEVELOPMENT II
PRIVATE PLACEMENT MEMORANDUM

Pradera Fuego Oil Field

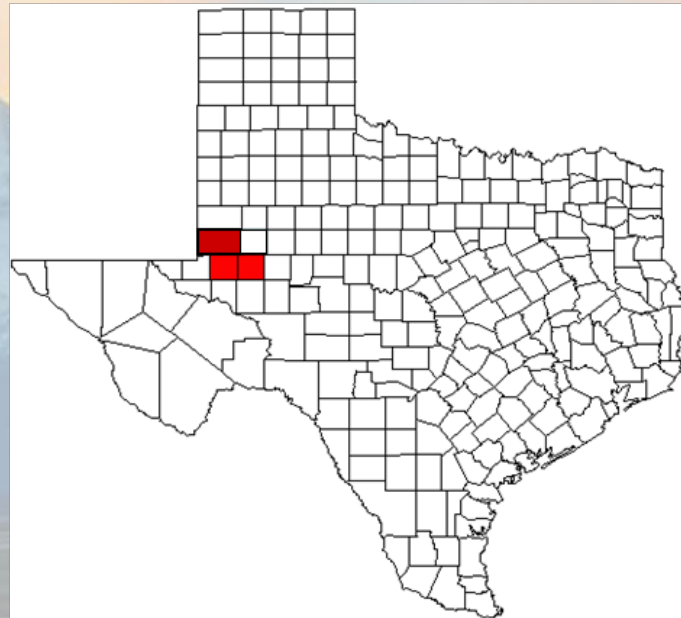


PRADERA FUEGO OIL WELLS

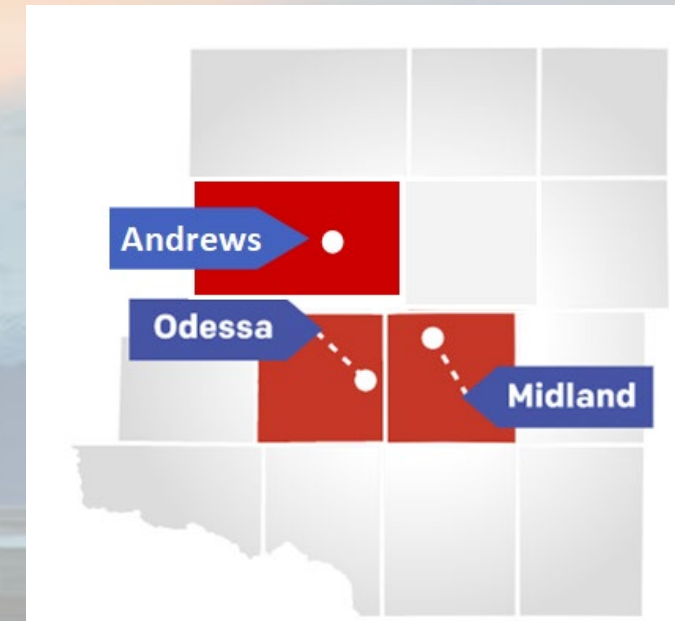
Located in the Permian Basin (West of the city of Odessa, Ector County, Texas), the Pradera Fuego project is drilling horizontal wells in the Mississippian section of the Barnett Shale. In Black Gold II we will be drilling two horizontal wells next to the Sweet Melissa 1H well which is one of the best wells in the entire play.

Royale Energy has been able to acquire an interest in the Pradera Fuego Project operated by Ares Energy. Pradera Fuego is a 10,045 acre shale play in the heart of one of the most active horizontal shale plays in the Permian Basin. The Permian Basin produces 4.1 million barrels of oil per day contributing 38% of total U.S. supply.

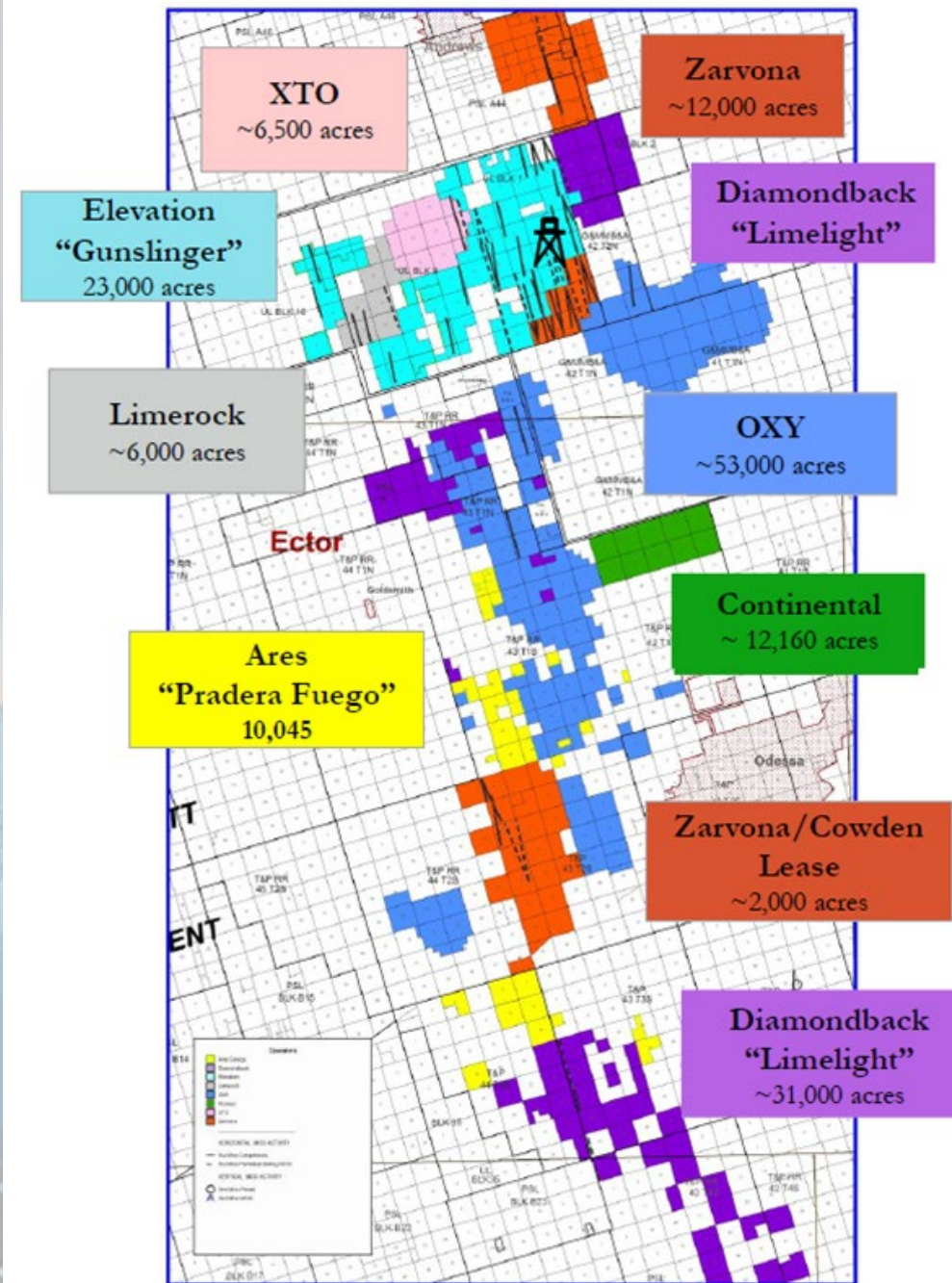
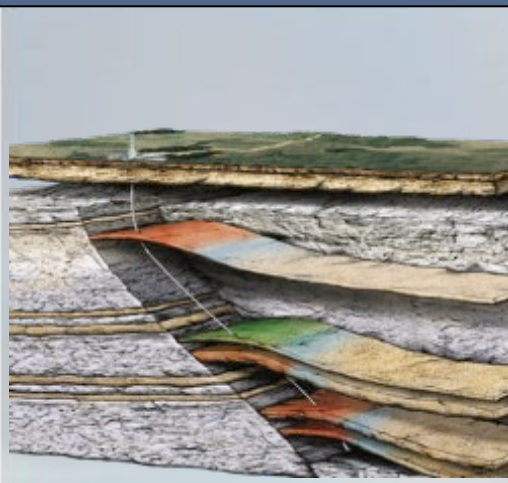
Texas Permian Basin



Pradera Fuego Field

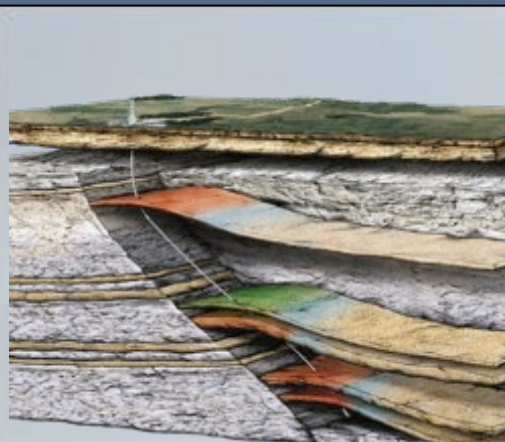


Pradera Fuego – Lease Position





Pradera Fuego Field – Sweet Melissa 1H Recently Drilled



Well Completion:

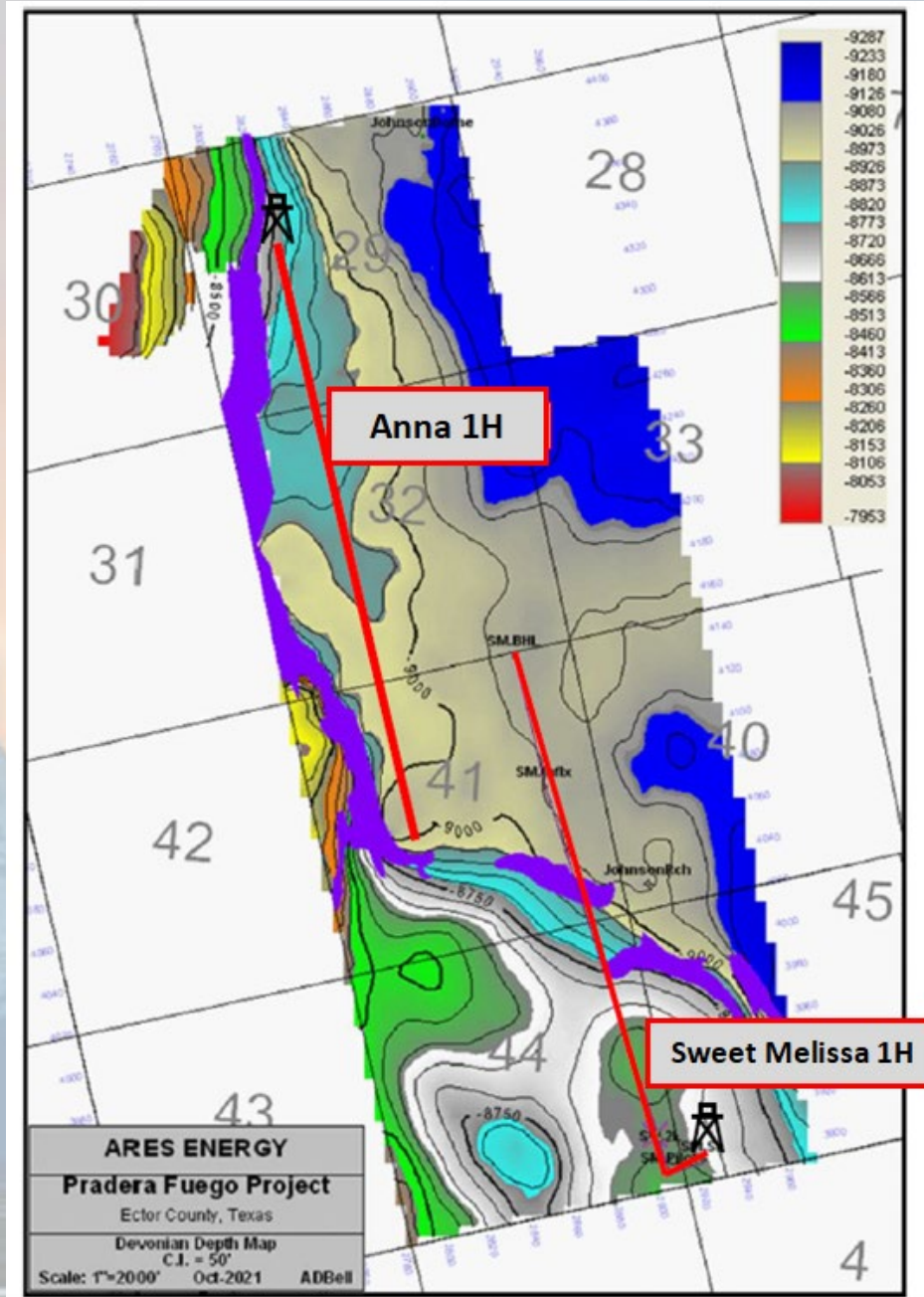
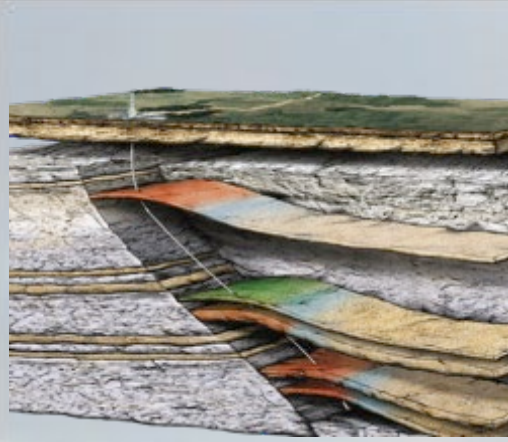
- The Sweet Melissa 1H was the first horizontal Mississippian well drilled and completed in the Ares Energy, LTD. operated Pradera Fuego Project located in the Permian Basin (West of the city of Odessa, Ector County, Texas).
- The Sweet Melissa 1H was spud on September 17, 2021 using Latshaw Rig #43
- The well was drilled to a Total Measured Depth of 21,450 ft., requiring 44 days. True Vertical Depth is 11,295 ft. with a horizontal length of 10,155 ft.
- Flow-back was initiated on March 1, 2022 with initial pressures of 3,300 psi and peak flowing rate of 2,960 barrels of total fluid per day and peak daily flowing rates of 835 barrels of oil and 1.3 MMcf.

Reserve Estimate and Analysis :

- Based on normalized production performance curves (“Type Curve”) from offset wells by Oxy, Zervona and Diamondback, the **Sweet Melissa 1H is expected to recover 950,000 barrels of oil and 1.7 Bcf.**
- However, the Sweet Melissa has a 30-day peak production rates of **730 barrel of oil per day & 1.1 MMcf per day.**

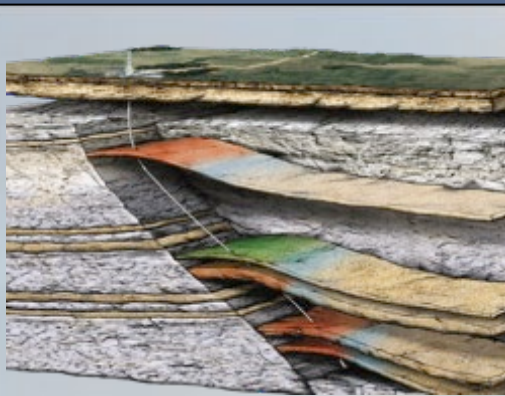


Pradera Fuego Field – Anna 1H Prospect - Location



- The Sweet Melissa 1H was drilled South to North, negotiating a steeply dipping Devonian structure midway in the Lateral.
- The vertical drop from the heel to the toe was over 500 ft.
- Directional drilling time should improve dramatically from 35 ft./hr. to around 65 ft./hr.
- Based on the relative position of the wellbore to folding of the Devonian structure, the benefits of natural fracturing experienced by the SM1H across the fold should be encountered along the entire length of the wellbore.

Jameson North Oil Field

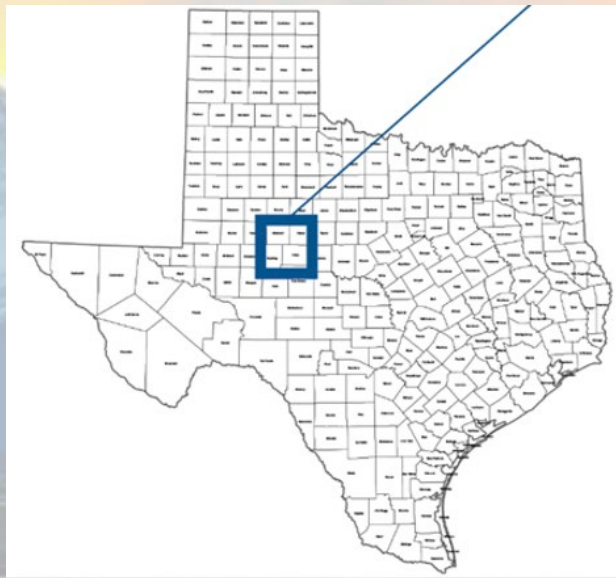


JAMESON NORTH OIL WELL

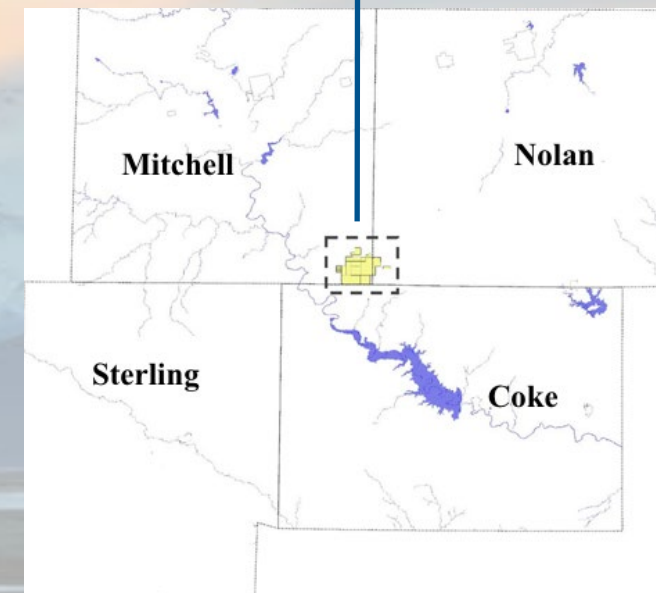
Royale purchased the Jameson North assets from General Electric (GE) in December of 2018. Located in the Permian Basin, near Colorado City, Texas, the JNF, an extension of the large Jameson Field, was developed by Shell and Sun Oil in 2 phases, 1953-58 and 1978-84, as a Strawn Sand and Carbonate Reef play.

Royale has identified 20+ high quality proven producing locations, using a 3D seismic survey covering all of our Jameson North Field (JNF) ownership in the Permian Basin.

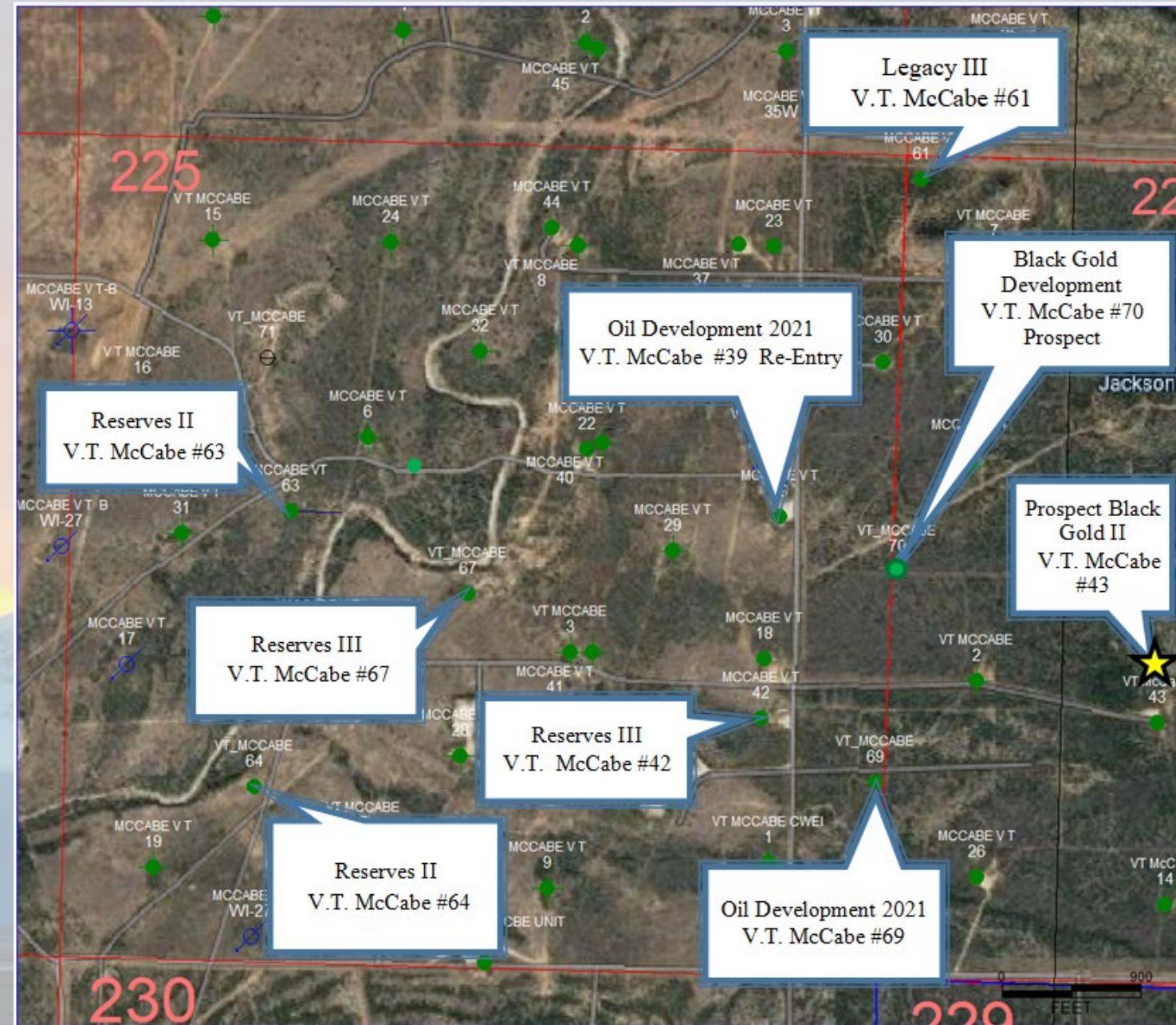
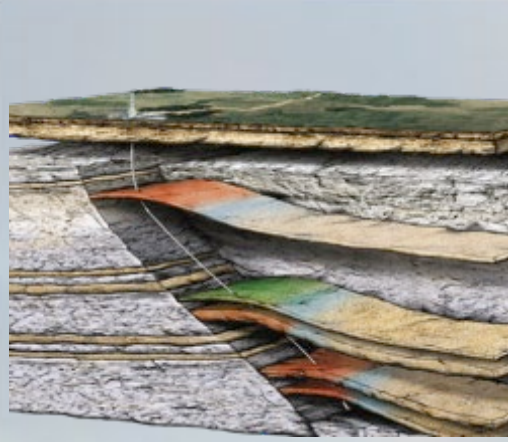
Texas Permian Basin



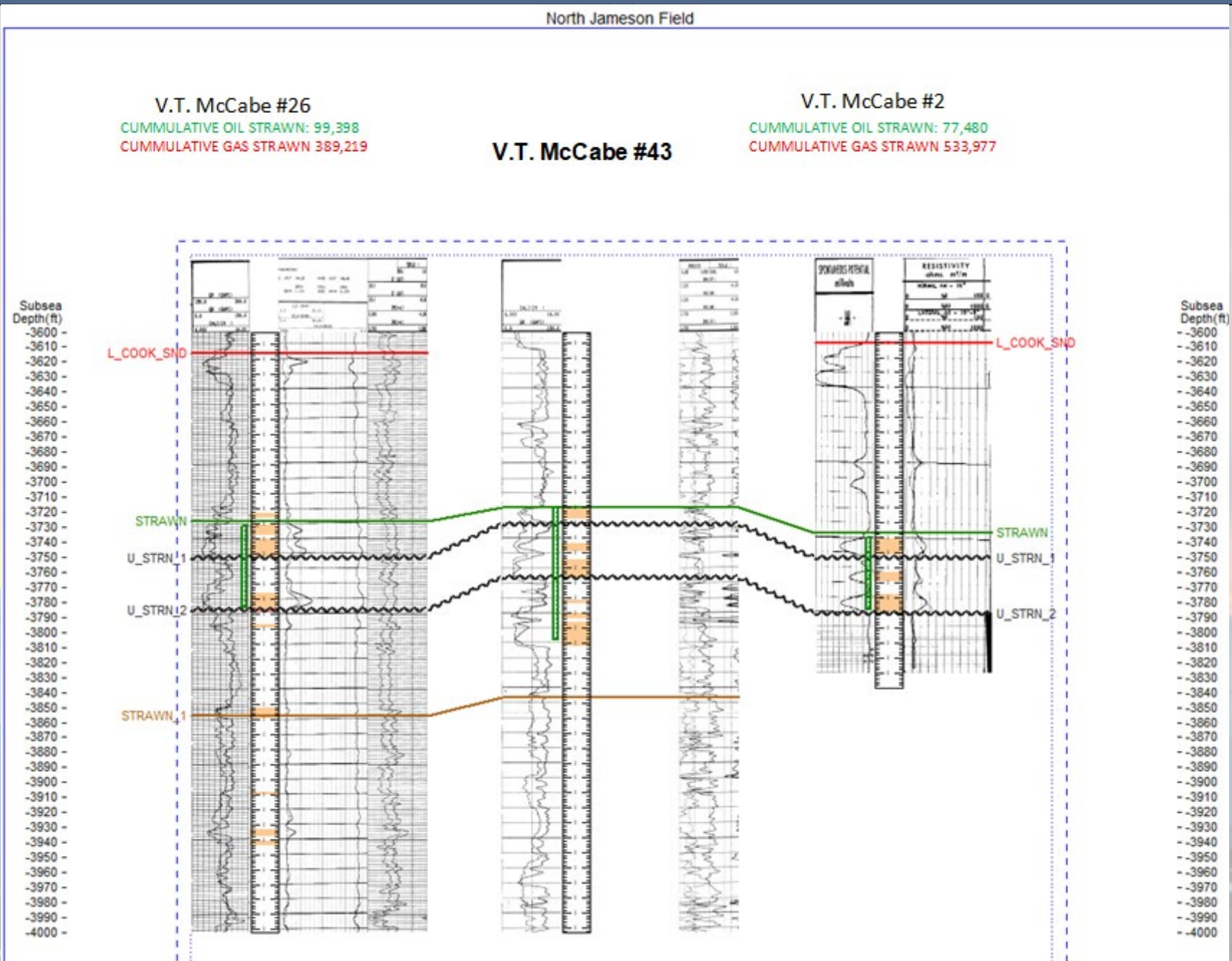
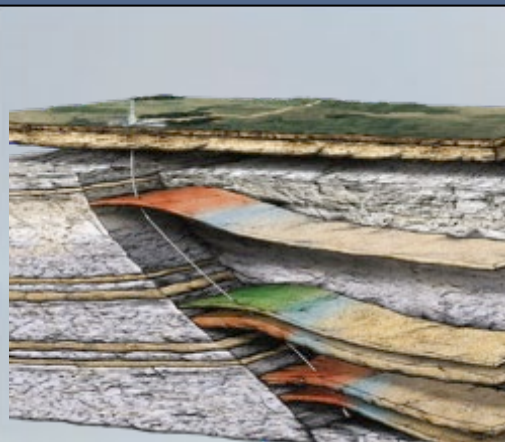
Jameson North Field (JNF)



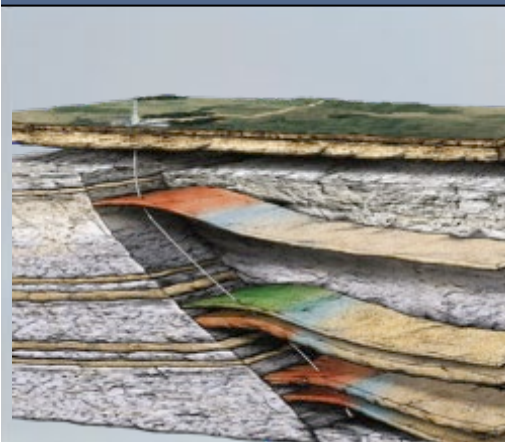
Jameson North Oil Field – Aerial View



Jameson North Oil Field – V.T. McCabe #43



Jameson North Field - V.T. McCabe V.T. McCabe #43

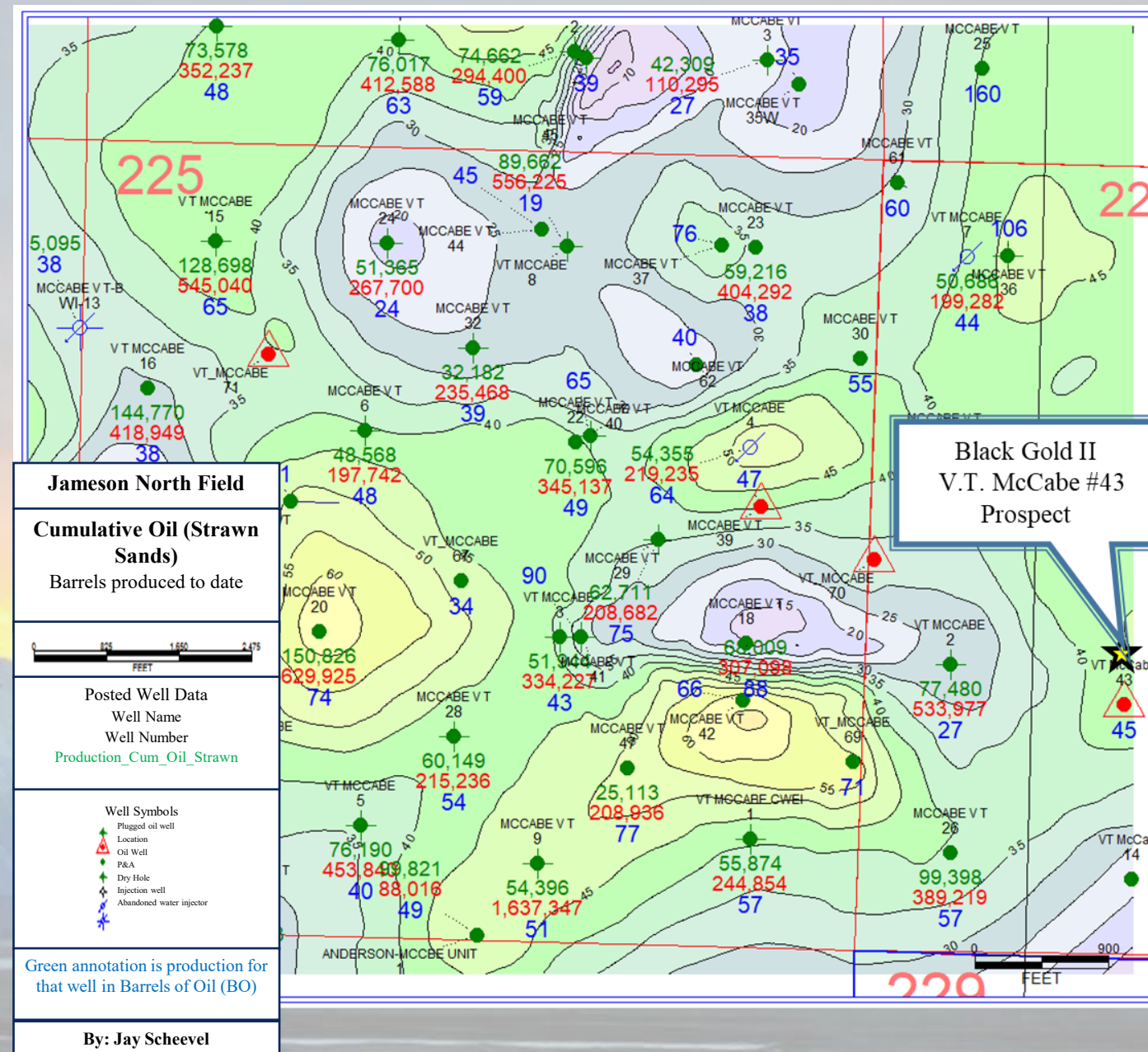


Jameson North Oil Well - V.T. McCabe #43 - Recompletion

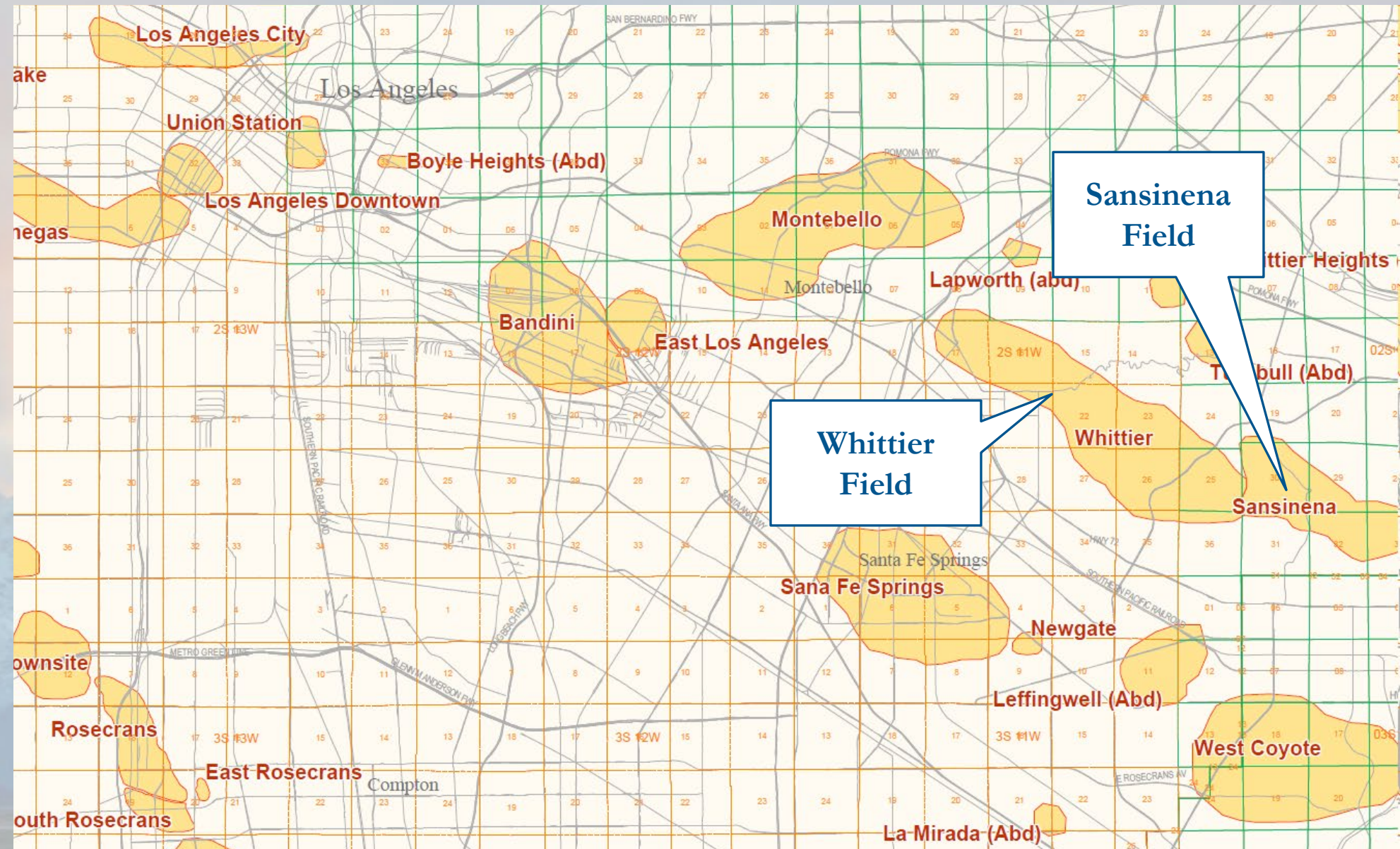
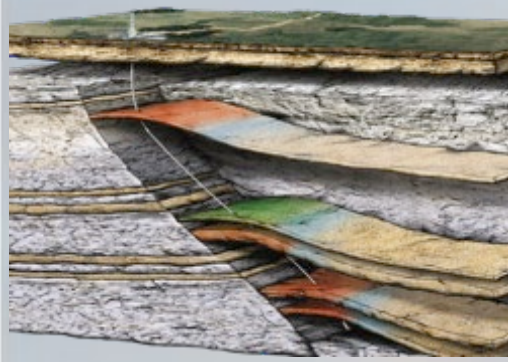
The V.T. McCabe 43 well will be recompleted into the Upper Strawn formation. In 1981 Sun Oil Company drilled this Oil well in the Jameson North Field (JNF) and completed this well for production in the Lower Strawn formation flowing at 182 barrels of oil per day.

The log analysis indicate that this well has 45 ft. of net oil pay remaining in the Upper Strawn formation. In comparison, the two immediate offsets V.T McCabe #2 and V.T. McCabe #26 produced 99,000 barrels of oil from 40 ft. of net oil and 75,000 barrels of oil from 27 ft. of net oil pay.

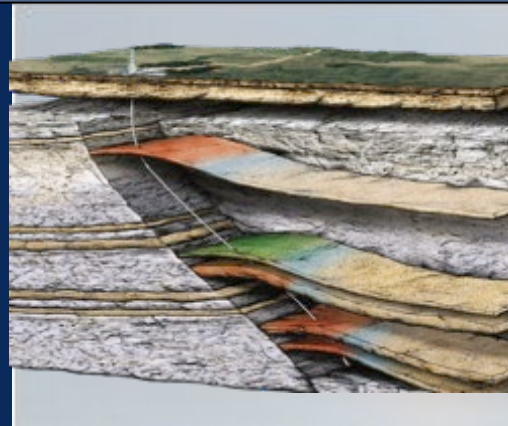
The V.T McCabe #2 initially produced at 121 barrels of oil per day and the V.T. McCabe #26 initially produced at 40 barrels of oil per day.



Sansinena Oil Field



CIC Partners Announces Investment in Sansinena Oil Field



The Company's principal property - Sansinena Field - is located within the cities of Whittier and La Habra Heights. The field was discovered in the 1940s and developed over the subsequent decades. CIC seeks to leverage new technology and insights to increase production across the field without making any meaningful changes to the environment in and around the field.



CIC Partners Principal, Bayard Friedman, remarked, **“We were particularly drawn to this opportunity because of the potential to develop long-lived reserves with low finding and development costs. We look forward to working with a highly talented management team to expand the business.”**

- April 2018

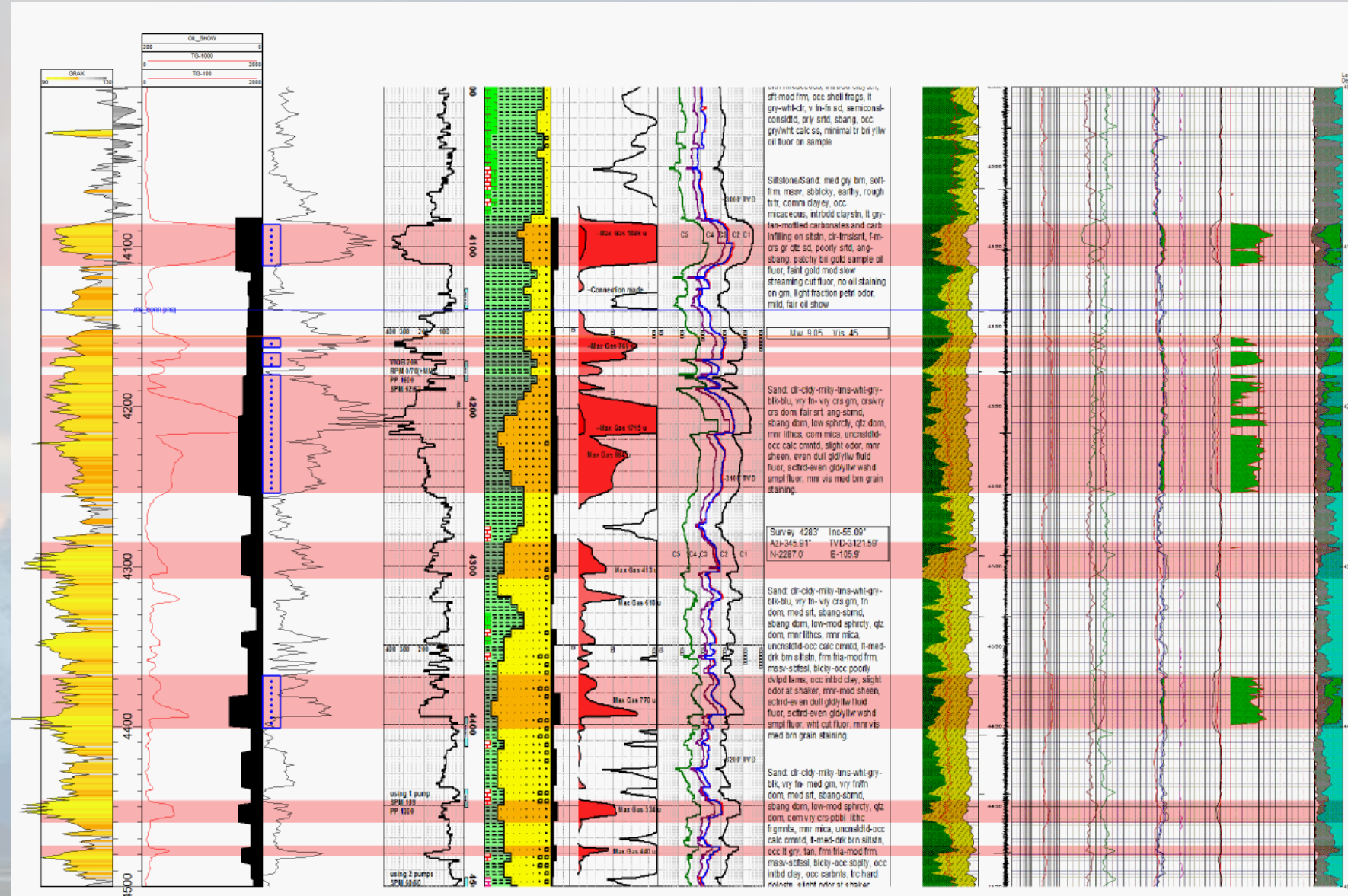
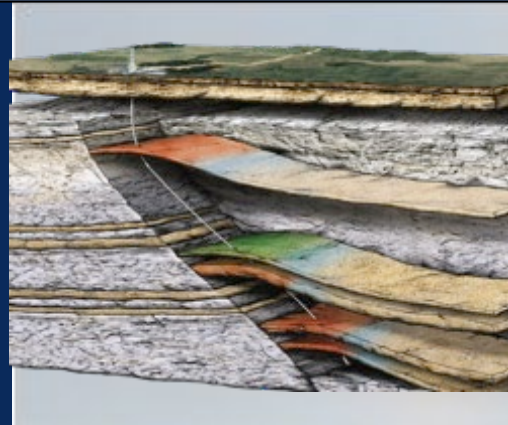


CICPARTNERS



9B-18 Sansinena Oil well

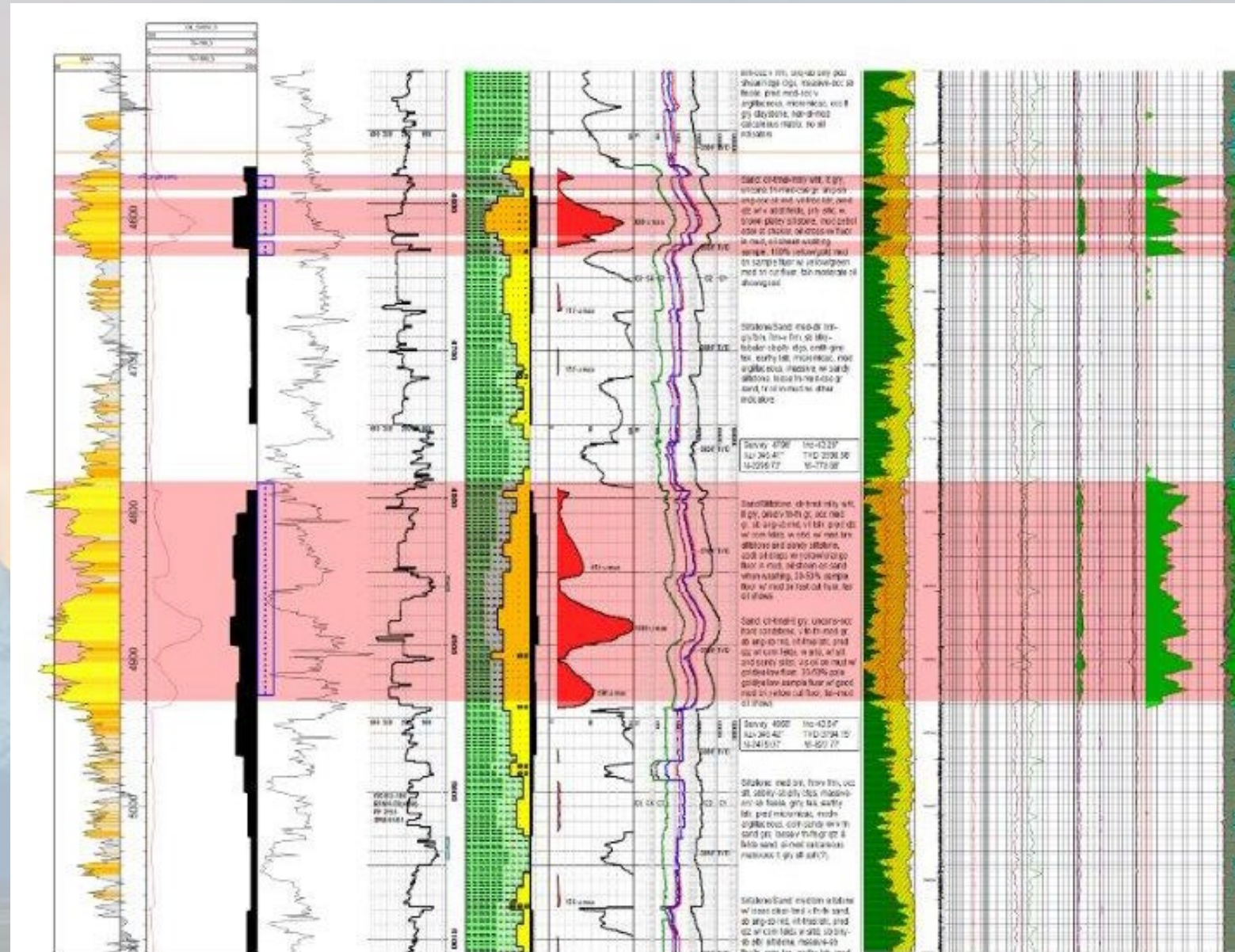
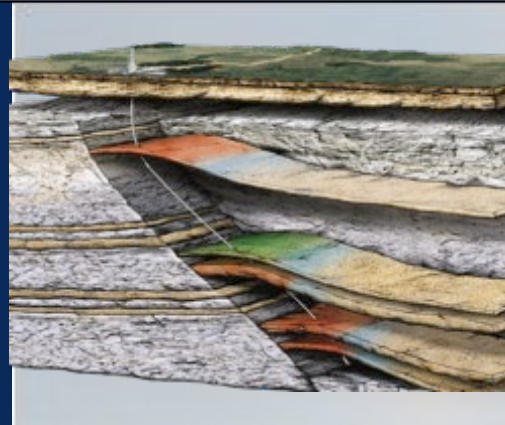
Drilled April 2019



**Light Red Shade =
Net Oil Pay
Net Oil Pay= 180 ft.**

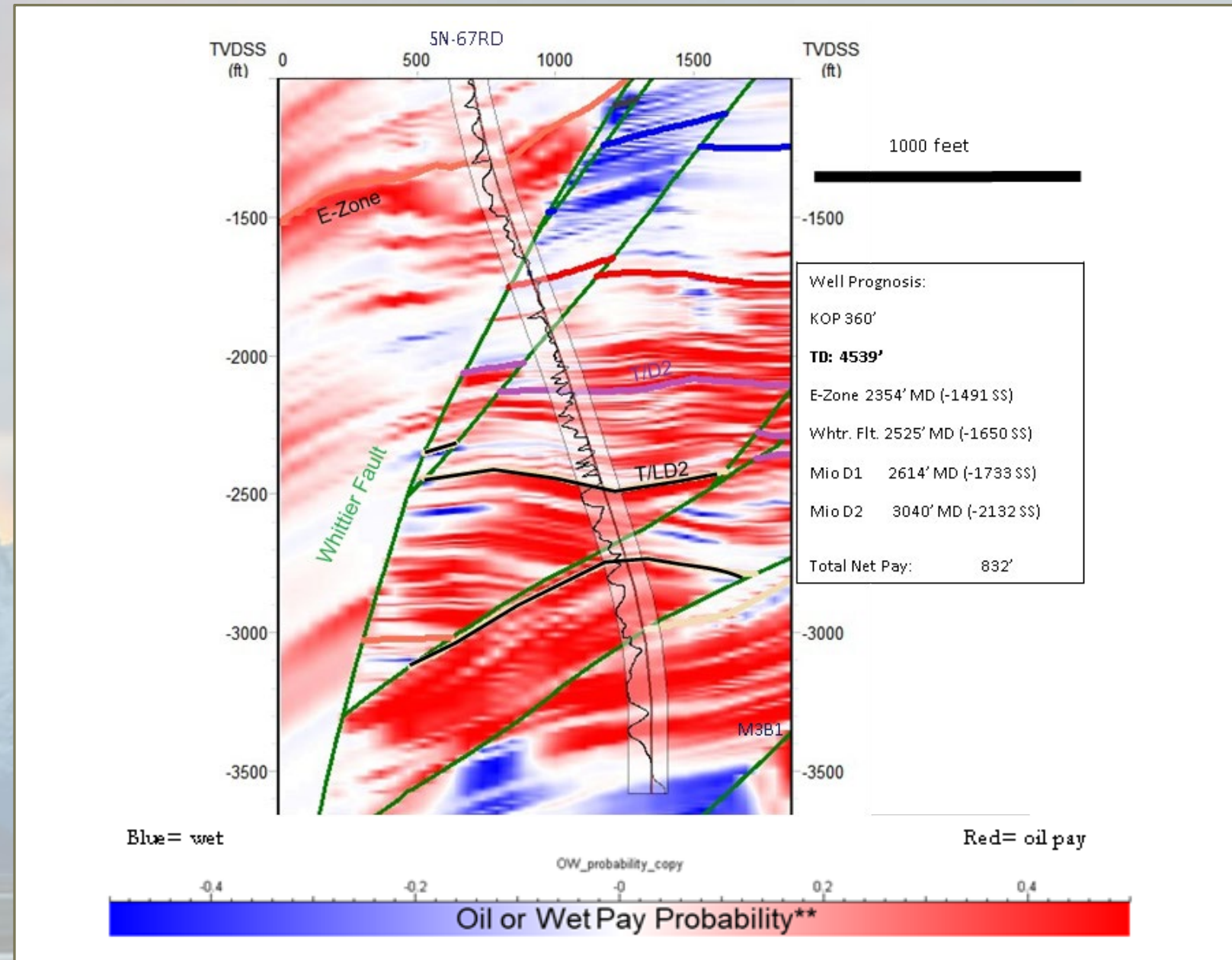
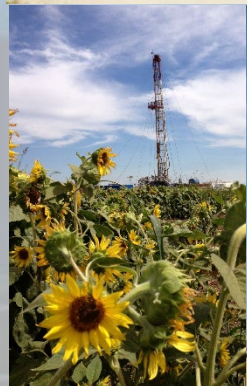
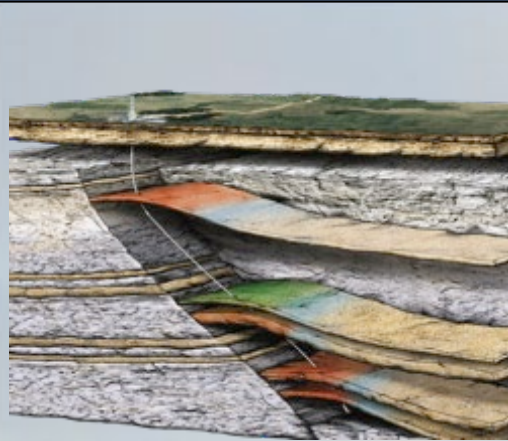
9B-20 Sansinena Oil well

Drilled May 2019



Light Red Shade = Net Oil Pay
Net Oil Pay= 195 ft.

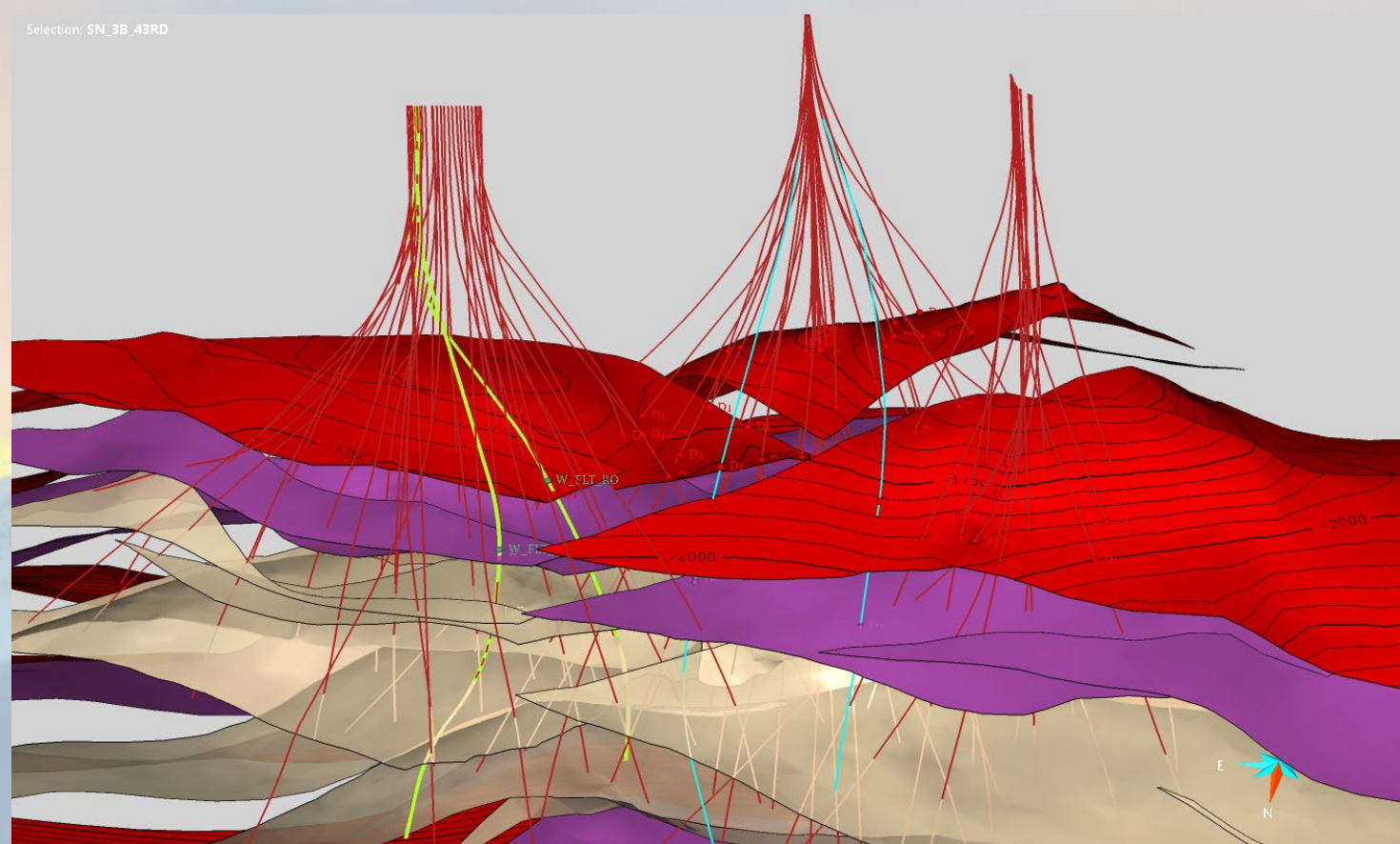
Sansinena D Sand Development Program Site 3 Prospects



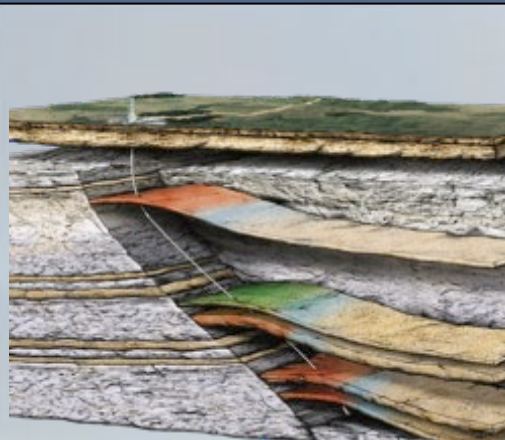
Pay probability from geostatistical simulation of normalized reservoir flag (Based on reservoir intervals hand picked on scanned E-logs) and geostatistical simulation of fluid type (based on hand picked pay vs wet on E-logs). Greater pay probability is in darker shades of red, and greater probability of wet reservoir is in darker shades of blue. White is either non-reservoir or uncertain.. **Red, pay is computed as the product of oil probability and reservoir probability greater than 0.5 (50%). The expected pay thickness by formation is summarized in the table on page 21.

Sansinena Development Program Site 3 Project

The light blue wells from site 5 are the 5B-93 RD1 on the left and the 5S-79RD2 on the right. The compass rose is in the lower left. This view is roughly from the north looking south. The proposed site 3 wells will drill the same target intervals as the two site 5 wells. The red surface with the black contours is the top of D1. The purple surface is the top of the D2 and the tan surface is the top of the Lower D2.



Proposed redrills from Site 3 (Green)



Black Gold II Development



ROYALE ENERGY



BLACK GOLD DEVELOPMENT II
PRIVATE PLACEMENT MEMORANDUM

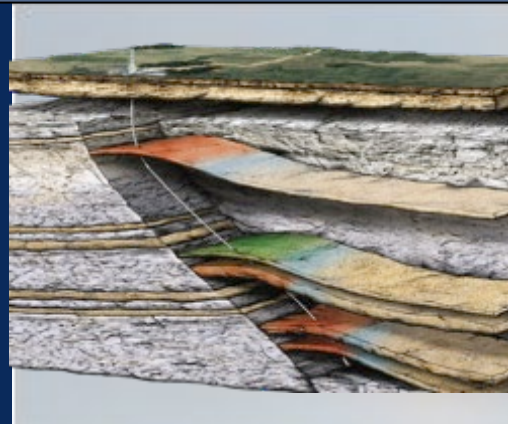
PURCHASE PRICE

Each full unit is being offered at the purchase price of \$100,000 per unit with $\frac{1}{2}$ and $\frac{1}{4}$ units also available. Each full unit, $\frac{1}{2}$ unit or $\frac{1}{4}$ unit will consist of the following:

WELL NAME	WORKING INTEREST
One (1) unit \$100,000 and consists of the following:	
Royale Energy Sansinena	0.562%
Royale Energy Pradera Fuego Anna 1H	0.062%
Royale Energy Pradera Fuego #2	0.062%
Royale V.T McCabe #43	1.95%
One Half (1/2) unit is \$50,000 and consists of the following:	
Royale Energy Sansinena	0.281%
Royale Energy Pradera Fuego Anna 1H	0.031%
Royale Energy Pradera Fuego #2	0.031%
Royale V.T McCabe #43	0.975%
One Quarter (1/4) unit is \$25,000 and consists of the following:	
Royale Energy Sansinena	0.14%
Royale Energy Pradera Fuego Anna 1H	0.015%
Royale Energy Pradera Fuego #2	0.015%
Royale V.T McCabe #43	0.487%

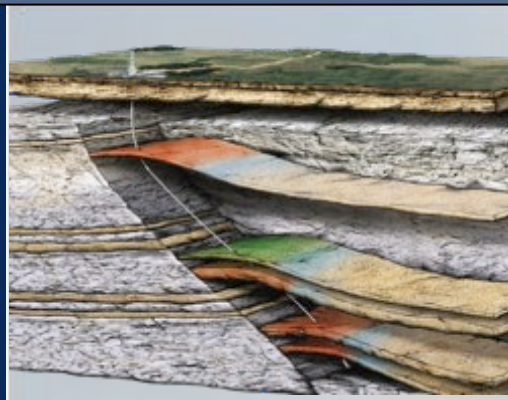
Direct Working Interest Structure

- ☑ Royale Energy owns up to 50% in each well
- ☑ All Prospects are 3-D Seismically defined and drilled in Proven Developed Fields
- ☑ Turnkey Investment drills, completes and establishes production in 3 oil wells



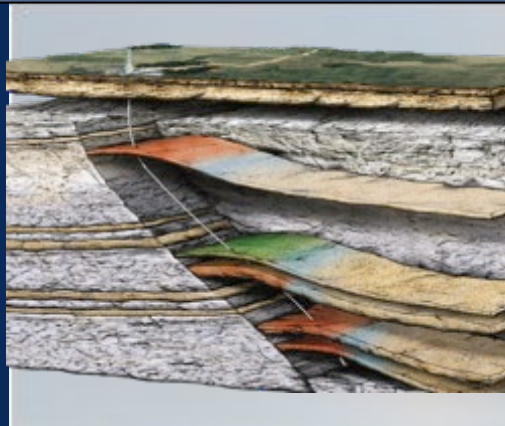
Direct Working Interest Structure

- ✓ No General & Administrative fees and No Back-ins after payout
- ✓ Royale Energy purchases insurance for unit holders and indemnifies all investors
- ✓ Monthly Income upon establishment of production paid end of every month
- ✓ Owners receive 1099 on or before Jan 31st of following year from income, No K1s



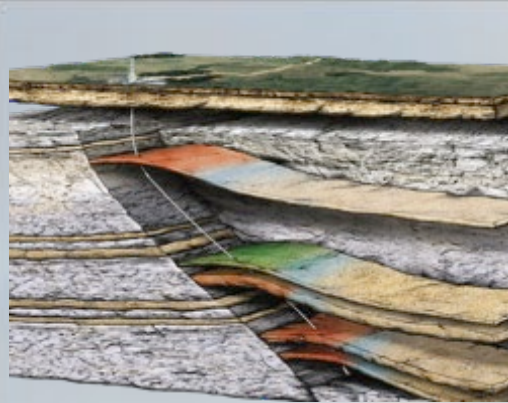
Tax Advantaged Investing:

- ☑ 80% of each investment is categorized as Intangible Drilling Costs (IDC) and can be deducted 100% against any form of income.
- ☑ 20% of each investment is categorized as Tangible Drilling Costs (TDC) and can be deducted 100% against any form of income.
- ☑ The "Depletion Deduction" allows 15% of the Gross Income from an oil-and gas-producing property to be tax free.



Tax Advantaged Investing:

Investments are 100% deductible the year you invest



PART III—COST RECOVERY AND ACCOUNTING

METHODS

Subpart A—Cost Recovery

SEC. 13201. TEMPORARY 100-PERCENT EXPENSING FOR CERTAIN BUSINESS ASSETS.

(a) INCREASED EXPENSING.—

(1) IN GENERAL.—[Section 168\(k\)](#) is amended—

(A) in paragraph (1)(A), by striking “50 percent” and inserting “the applicable percentage”, and

(B) in paragraph (5)(A)(i), by striking “50 percent” and inserting “the applicable percentage”.

(2) APPLICABLE PERCENTAGE.—Paragraph (6) of [section 168\(k\)](#) is amended to read as follows:

“(6) APPLICABLE PERCENTAGE.—For purposes of this subsection—

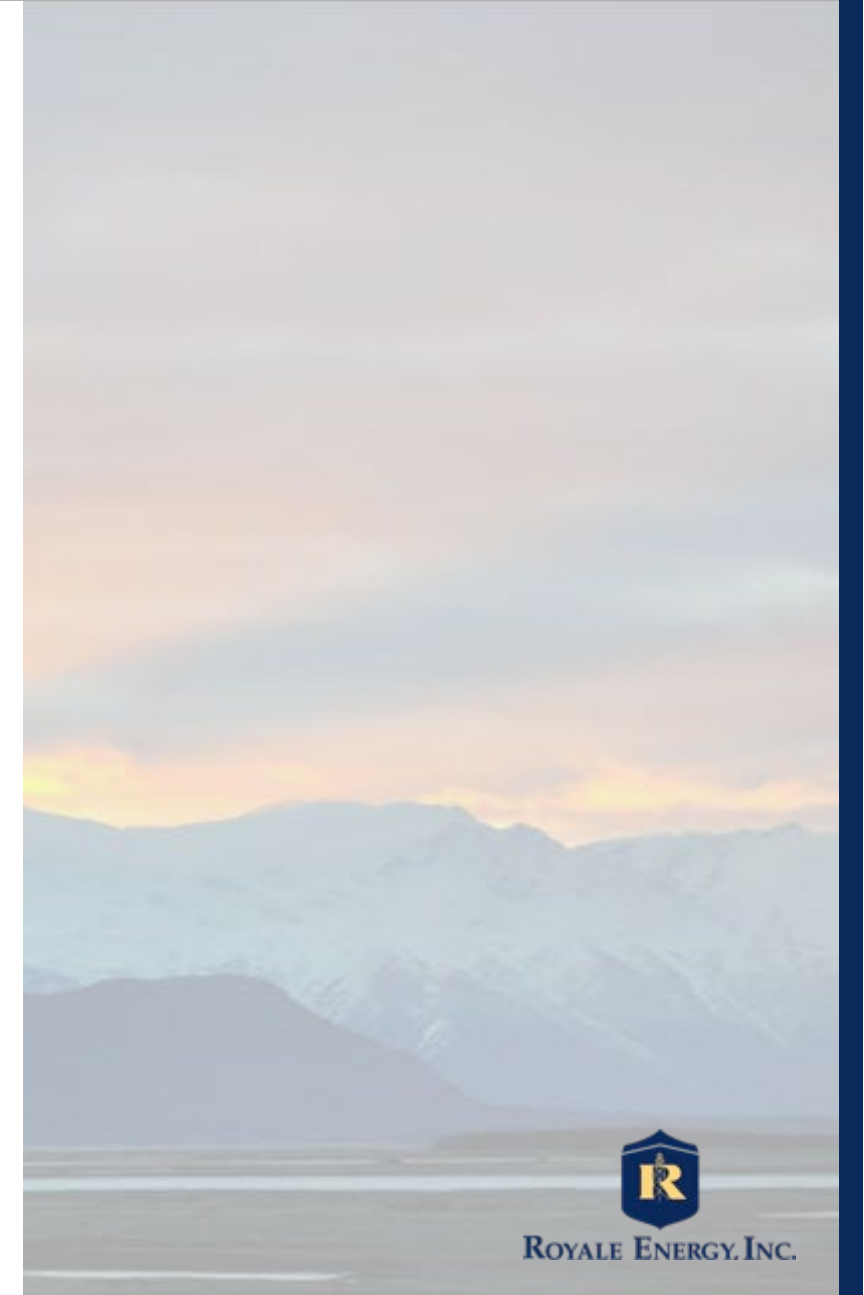
“(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term ‘applicable percentage’ means—

“(i) in the case of property placed in service after September 27, 2017, and before January 1, 2023, 100 percent,

“(ii) in the case of property placed in service after December 31, 2022, and before January 1, 2024, 80 percent,

“(iii) in the case of property placed in service after December 31, 2023, and before January 1, 2025, 60 percent,

“(iv) in the case of property placed in service after December 31, 2024, and before January 1, 2026, 40 percent, and





The Tax Advantages of Oil & Gas Exploration



ROYALE ENERGY

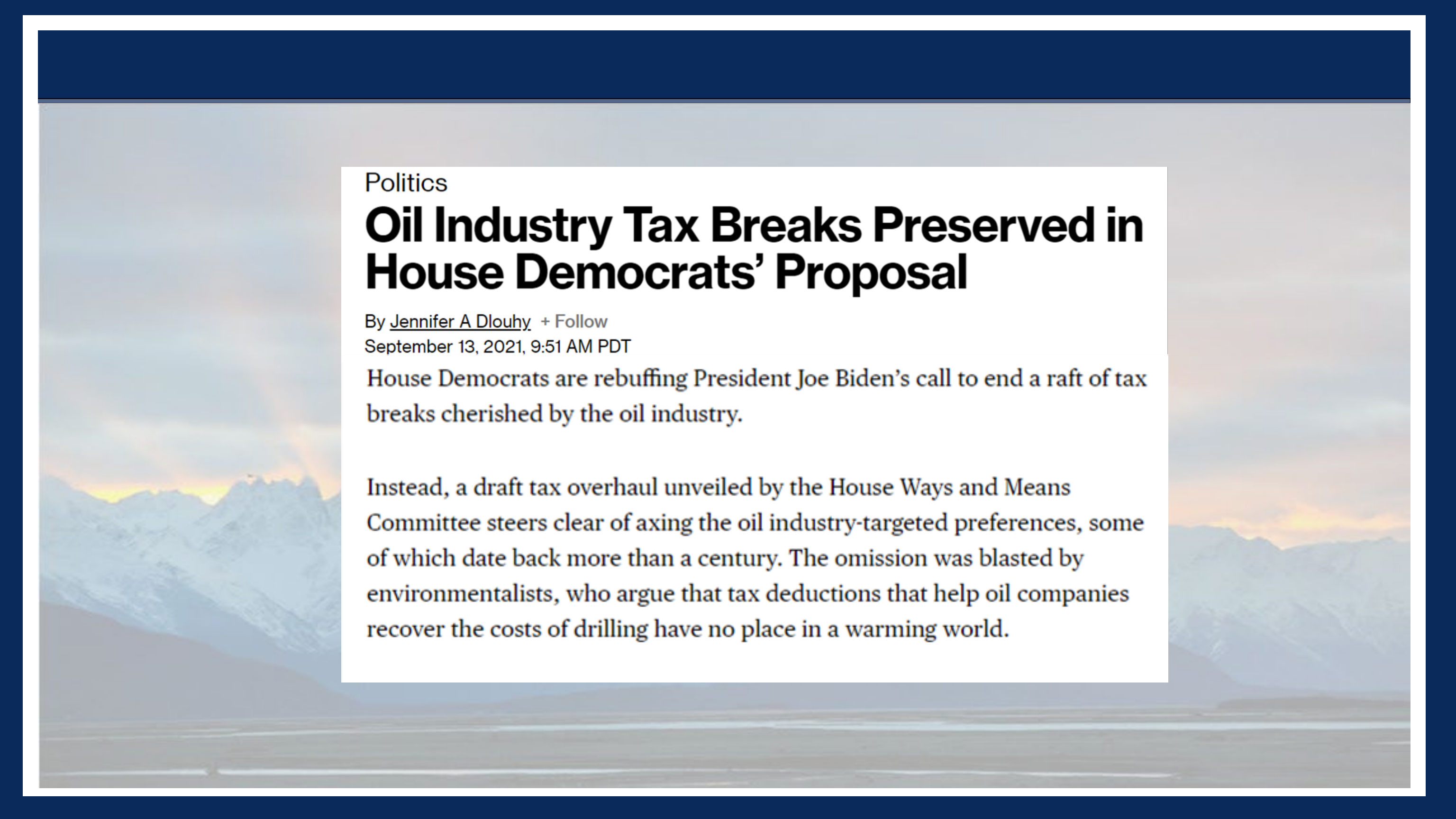
Deductions can be used against:

- Ordinary Income
- IRA Withdrawals
- Capital Gains
- Real Estate Gains
- Stock Gains

*Works for both Federal & State
Taxes*



Royale Energy, Inc.



Politics

Oil Industry Tax Breaks Preserved in House Democrats' Proposal

By [Jennifer A Dlouhy](#) + Follow


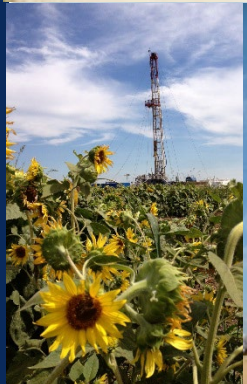

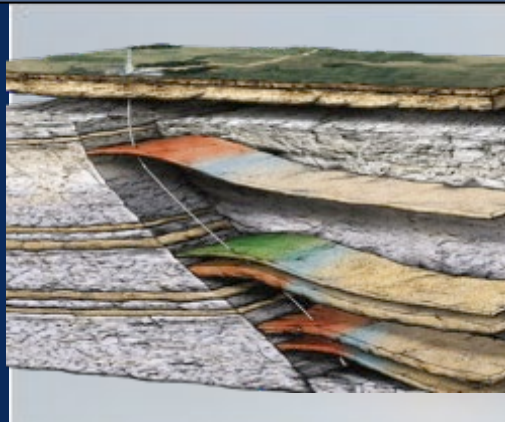
September 13, 2021, 9:51 AM PDT

House Democrats are rebuffing President Joe Biden's call to end a raft of tax breaks cherished by the oil industry.

Instead, a draft tax overhaul unveiled by the House Ways and Means Committee steers clear of axing the oil industry-targeted preferences, some of which date back more than a century. The omission was blasted by environmentalists, who argue that tax deductions that help oil companies recover the costs of drilling have no place in a warming world.

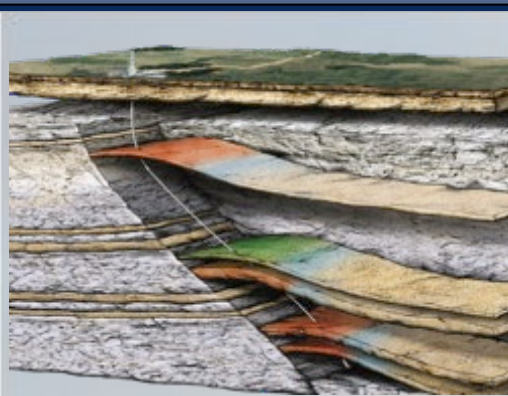
Example of Tax Savings

Royale Reserve II Project



1 Unit Drilling Investment	\$100,000
<i>Less: Federal Tax Deduction:</i>	(\$100,000)
Refund (at Maximum Tax Rate 35%)	\$35,000
State Tax Refund	\$10,000
(where applicable) (State Tax 10%)	
<hr/>	
Total Investment after Federal & State Tax Refund	\$55,000

Investor or Speculator: Which one are you?



“The traditional view, dating back at least to the 19th Century, is that an investor buys to capture a predictable long-term stream of cash flow, while a speculator buys to harvest a short-term change in price.”

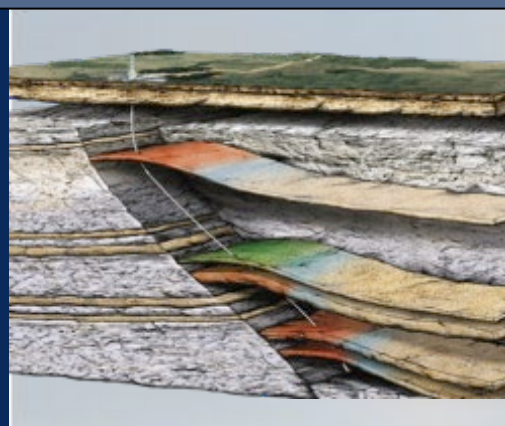
- **The Wall Street Journal**



"Fossil fuels are the lifeblood of the world economy. They are indispensable. Moreover, the rout in the oil patch in recent years is setting us up, in my view, for one of the great buying opportunities of our lifetimes. However, you might miss it if you're busy demonizing the fossil fuel industry. "

- **Alexander Green**- *Chief Investment Strategist of The Oxford Club and Investment U*





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