



**ROYALE ENERGY, INC.**

*A Growth-Oriented Independent  
Exploration & Production Company*



***Royale Energy's 2019 Operation Update per the 2019 Annual  
Report 10K***





## Summary of Royale Energy Inc

- Royale and its subsidiaries (“The Company”) own wells and leases mainly in the Sacramento Basin, the Permian Basin and the San Joaquin Basin.
- The Company also has assets or interests in Utah, Colorado, Louisiana and Alaska.
- In 2019, Royale drilled 8 wells in its CA Rio Vista Project in a Joint Operating Area Project with California Petroleum Resources Corporation. The Rio Vista Field, in the Sacramento Basin, is a 4 TCF (Trillion Cubic Feet) natural gas field, that extends over an area of 80 square miles.
- In 2019, Royale participated in 2 wells in the CA Sansinena Field in a Joint Operating Area Project with RMX Energy Inc. The Sansinena Field, in the LA Basin, is a 60-million-barrel oil field, that extends over an area of 3 square miles.
- In 2019, Royale performed a review of potential drilling well locations in the TX Jameson North Field (JNF). Royale acquired JNF in 2018 and owns a 95% operated working interest. JNF is located in the eastern Permian Basin and extends over an area of 10 square miles.
- Royale classifies the wells drilled in 2019 as development wells. It historically has also acquired producing wells or has also drilled exploration wells on acquired leases.



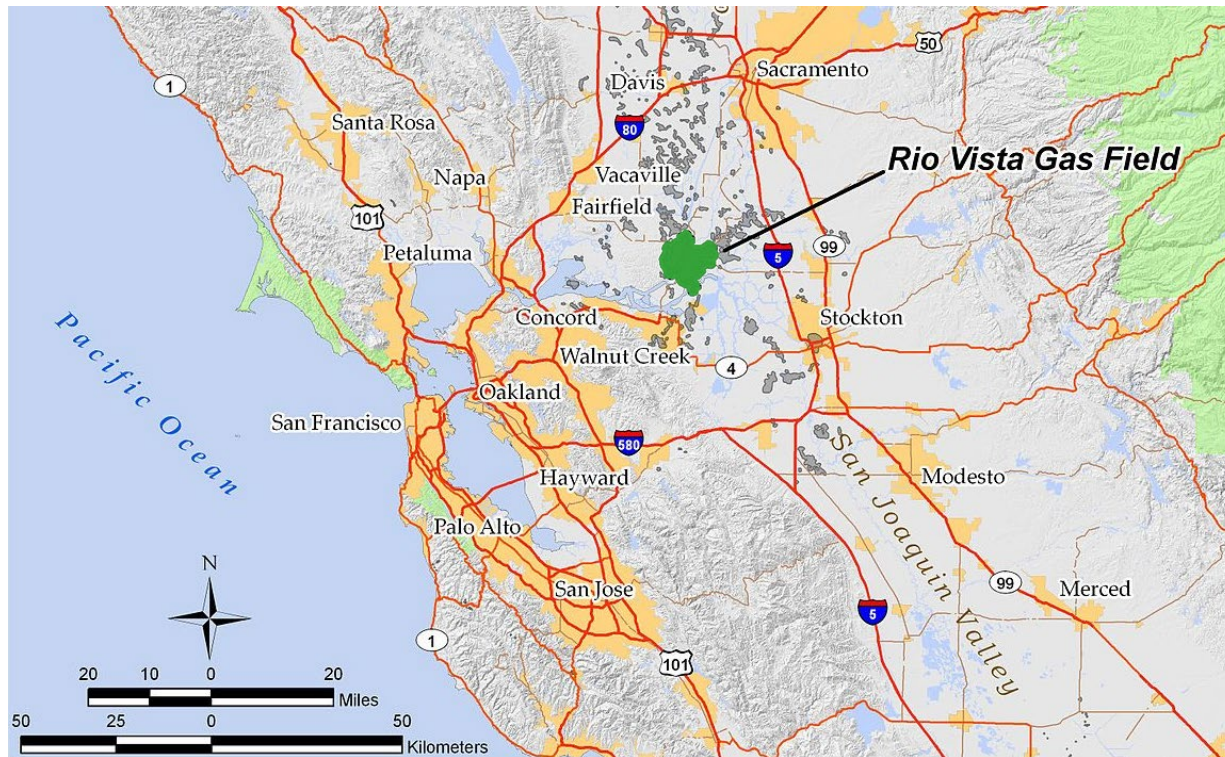
# Focus Area – Sacramento Basin North CA



## Legacy Area Royale:

- The Sac Basin is a legacy area of expertise for both Royale and merged former Matrix Officers.
- Royale owns interests in 9 gas fields at year end 2019
- The area of interests primarily the Grimes Gas Field area and the Rio Vista Field
- Since 1993, Royale has focused on drilling wells and developing gas reserves in the Sacramento Basin
- The area is considered lower drilling risk to find potentially commercial gas due to high number of wells, abundant potential infill locations on existing leases and access to 3D seismic used to detect gas and subsurface traps

# Location Rio Vista Gas Field





## Highlights of the Rio Vista Gas Field – Central CA Sacramento Basin

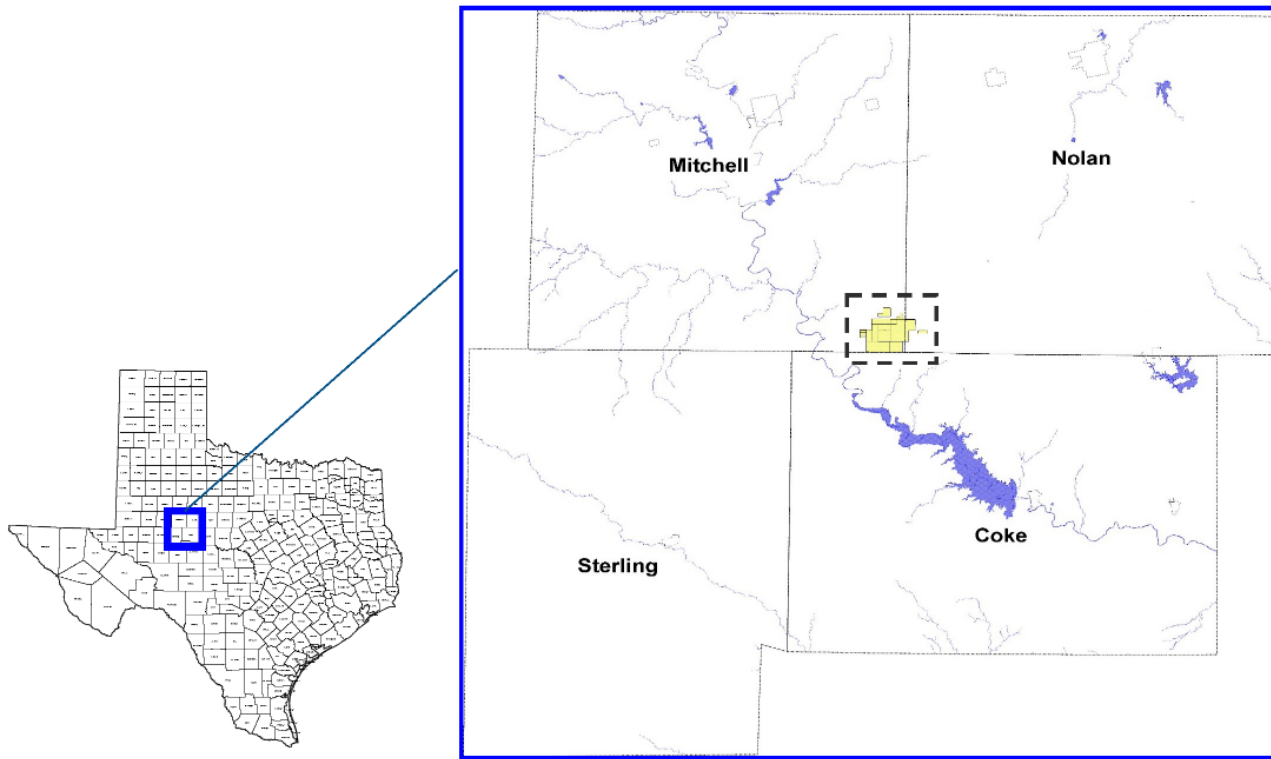
### Field Highlights

- Discovered in 1936, the largest non-associated natural gas field (no oil zones) in California.
- Field has produced approximately 4 TCF thru 2019 from approximately 250 wells.
- The field covers a production area of approximately 75 square miles.
- Production occurs from more than 15 different gas zones between depths of approximately 2,500 to 10,000 feet.
- A 3D-seismic survey acquired in 1996 improved efficiency of infill field development.
- Several companies since 1936 have drilled successful infill development wells.
- The field today has numerous potential infill drill locations.

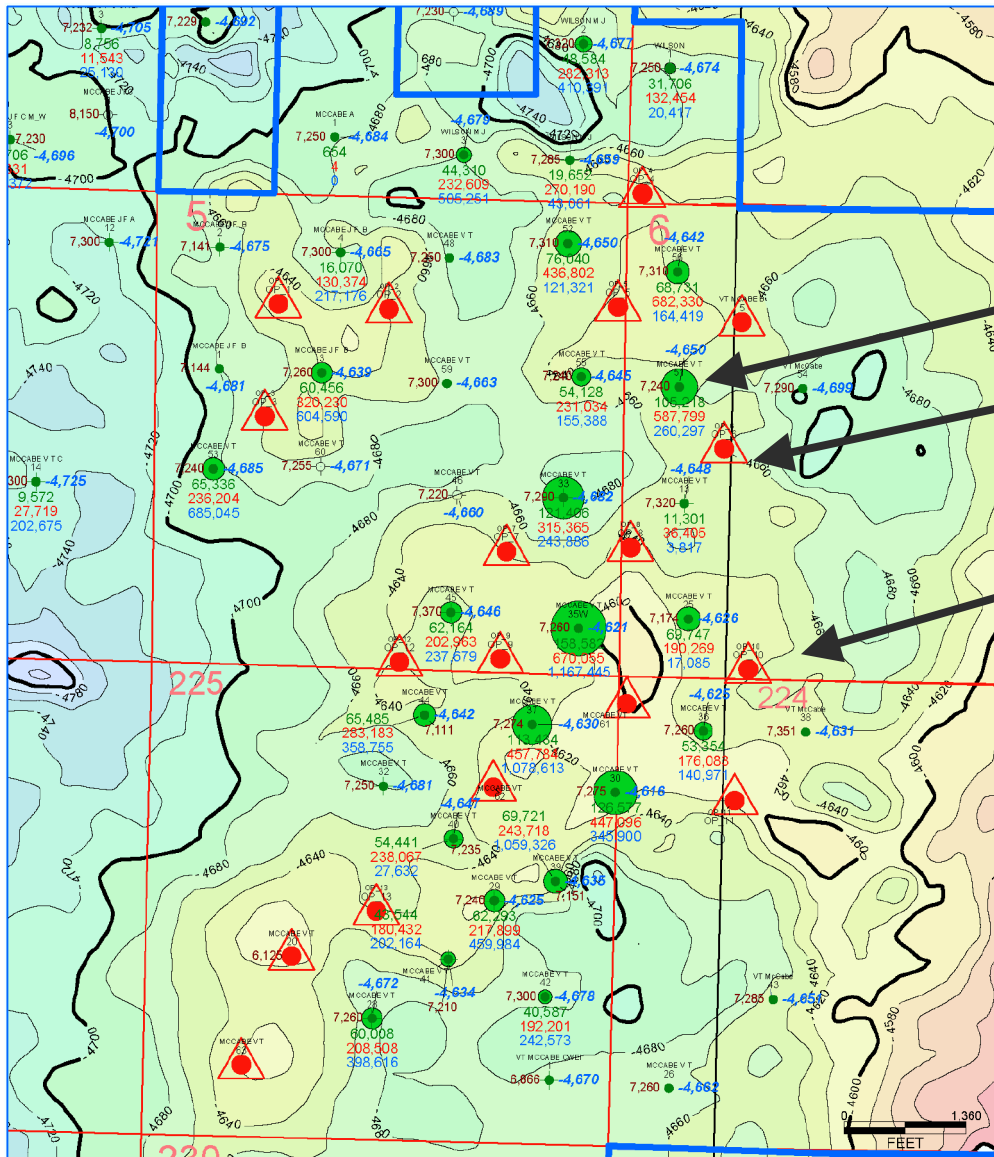
### Ownership

- Royale has a Joint Operating Participation Area with California Petroleum Resources Corporation (“CPRC”) that covers the entire field.
- The venture drilled 8 wells in 2019 with Royale operating the drilling.
- Royale owns 60% gross WI in 14 wells drilled since 2016.
- CPRC owns 40% WI in the participation wells and operates the wells after Royale drills and completes the wells into the CRPC pipeline system.

# Location of Jameson North Oil Field



## Odom Formation Map – Production wells (green); triangles – potential drill locations



### Jameson North Field

- Royale operated
- Oil well with oil (green), gas (red) and water (blue) production data from the Odom zone completion
- A potential Odom infill drill prospect location shown as a triangle
- Subsea depth to Top Odom contours



## Jameson North Oil Field

### Field Highlights

- Located near Colorado City, TX.
- Currently operated by Royale Energy.
- Lease acres in 11 sections – 7,465 gross acres HBP, no surface fee 87.2% NRI.
- Total Lease Cumulative Production: 10 MMBO, 10 BCF since 1976.
- The field has multiple possible drill locations (red triangles on map).

### Ownership

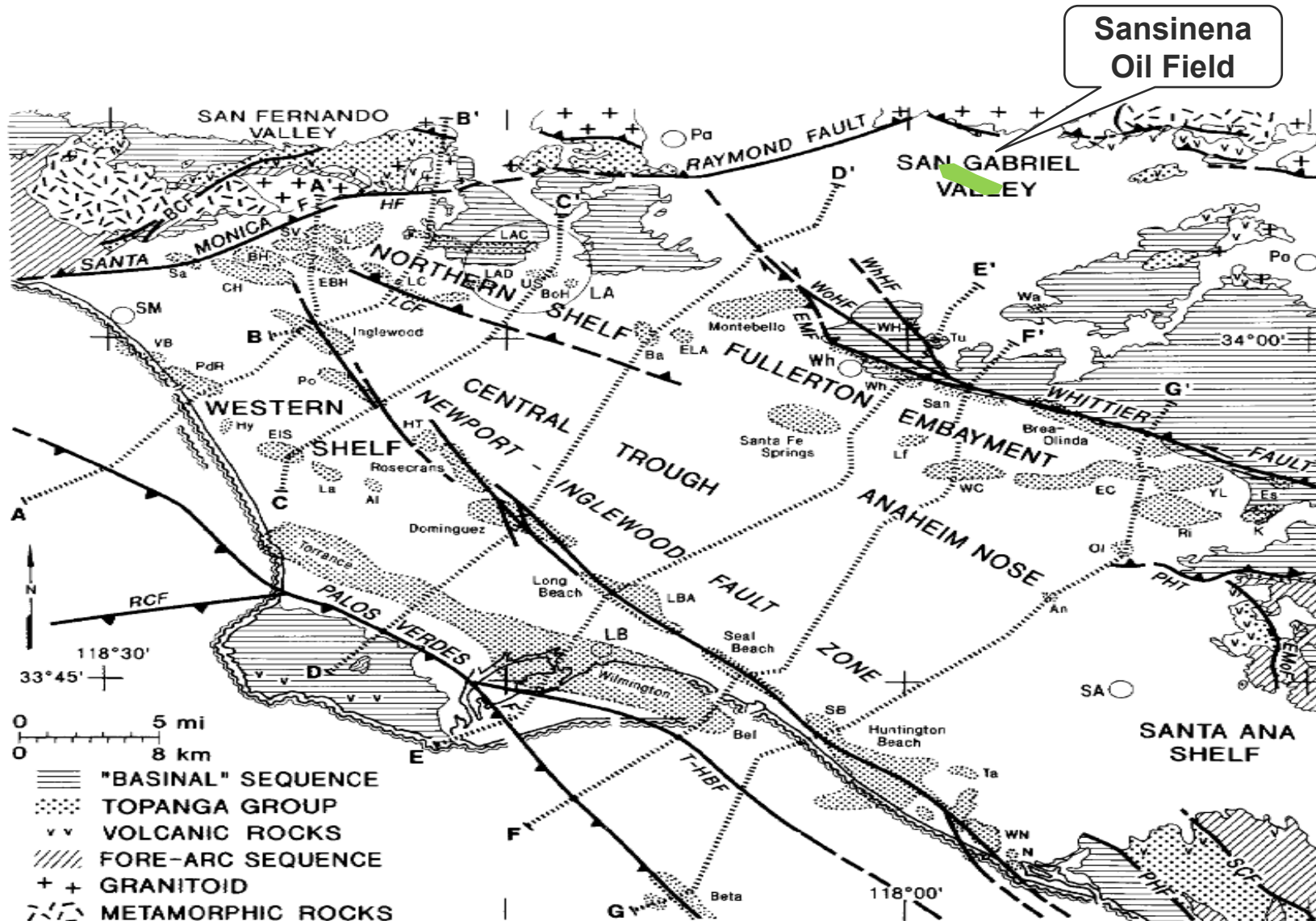
- Royale Energy currently owns 95% WI and operates the field.
- Guadalupe Energy owns 5% WI.

### Reservoir

- Jameson North Field is a small field extension of the larger Jameson Field, developed by Shell to the south in the early 1950s as a Strawn sand and reef play; Sun development identified the North part of Jameson in 1976.
- Strawn SS – Porosity of 18-24%; moderate perm of 150 to 300 md (marine sand).
- Odom and Ellenburger are also producers in the lease area.
- Weak water drive and depletion: 52-degree gravity oil and 1200+ BTU gas.



## Location of Sansinena Oil Field – LA Basin





## Sansinena Strategic Points

### Field Highlights

- Discovered in 1890, the field is part of a 30-mile-long oil field complex in the eastern LA Basin.
- Sansinena is 3 miles long and is a structural trap. It has approximately 900 Million BO (barrels oil) in place with an estimated recovery projection of oil of approximately 160 million BO.
- The field has a thick oil column of over 4000 feet in height located in many sandstone reservoirs.
- The field produces 15 to 32 gravity oil and associated natural gas with the oil.
- Historically the field has produced 60 million BO which is only an estimated 8 percent of the oil in place under the ground. Wells in excess of one million barrels each are documented.
- The current operating team has delineated approximately 70 viable infill drill locations.

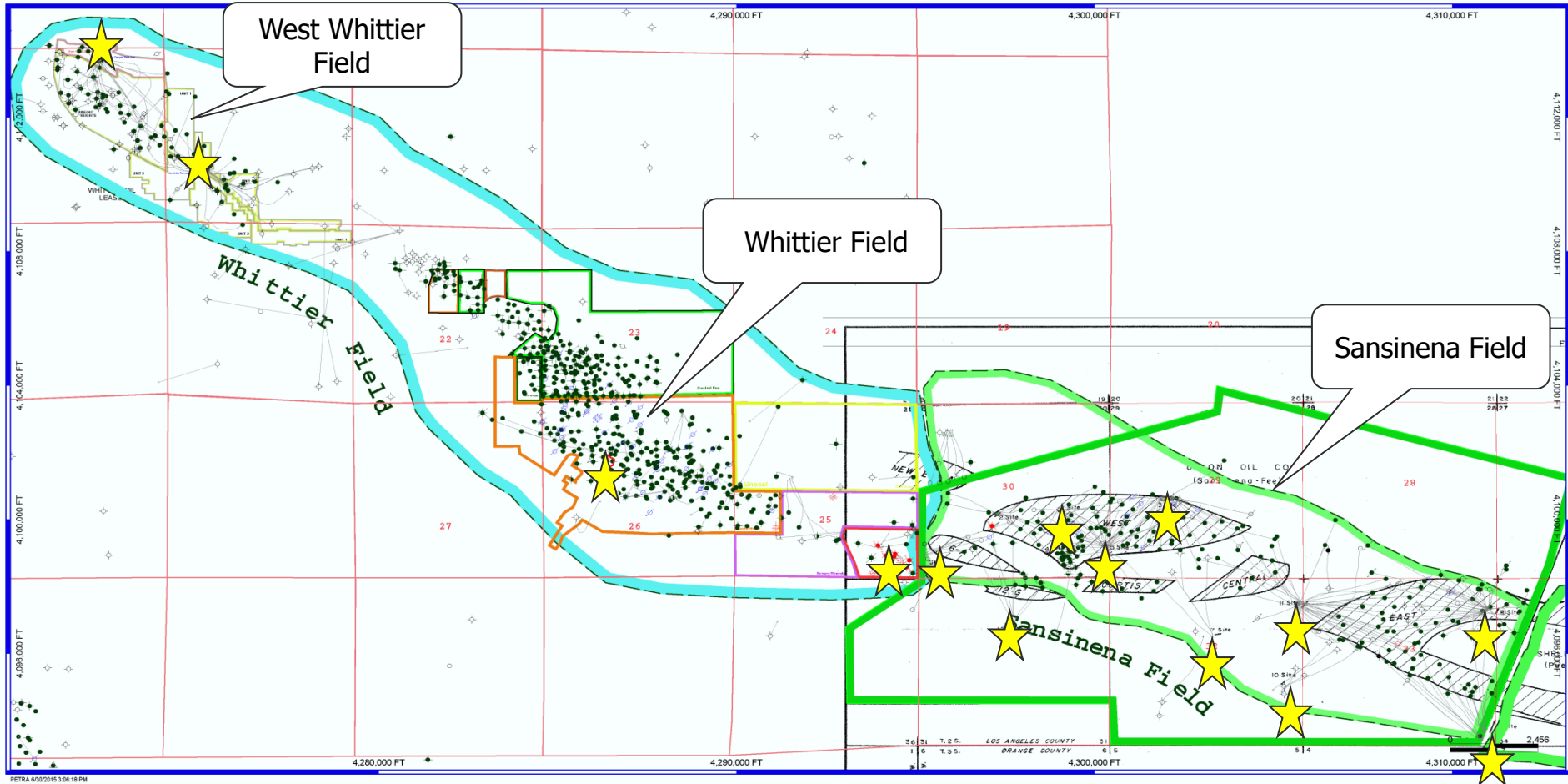
### Ownership

- Royale has a Joint Operating Participation Area venture with RMX Energy that covers the entire field.
- RMX and its subsidiary, Matrix Oil, operate the field and all wells.
- The venture drilled 2 wells in 2019 with Royale in a non-operated working interest position.
- Royale owns a 50% gross WI in 3 wells drilled in the venture since 2017.



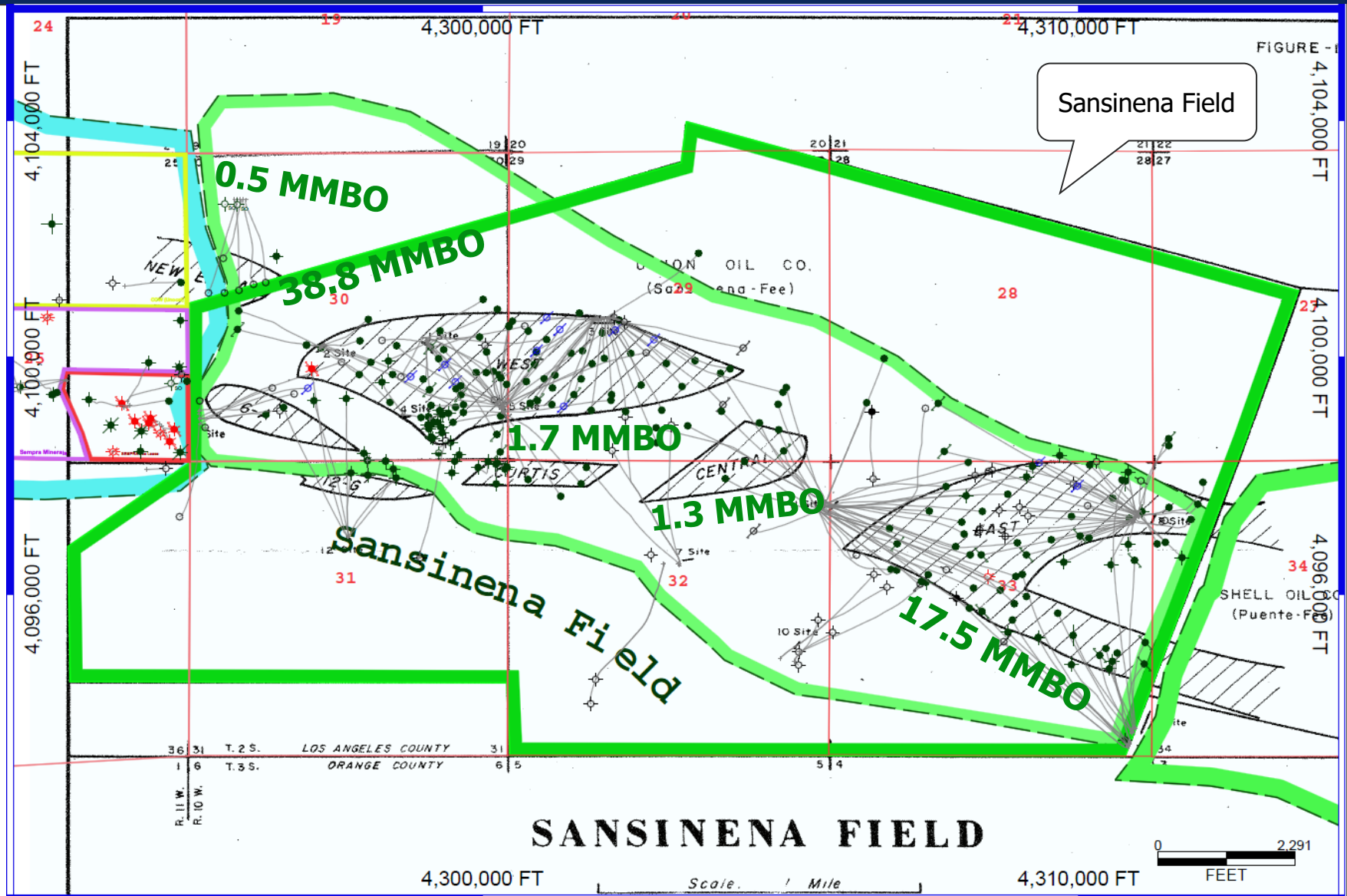
## Location of Sansinena and Whittier Fields

Drilling/Production Sites are shown as yellow stars





## Cumulative Oil production for each area shown in green





## 2020 Asset Review for Possible Drilling

- **Rio Vista** -- Royale has identified multiple prospects to drill. The prospects are under review and drilling depends on economic viability.
- **Sansinena** -- Royale is reviewing prospects to participate in drilling. The oil development prospects are being reviewed for economic viability.
- **TX Jameson North** -- Royale is in review for viability of drilling oil prospects.



## Summary of Drilling Results for 2019 and Company Stated Reserves

- Royale drilled 8 natural gas well prospects in 2019 and participated in the drilling of 2 oil well prospects as a non-operated partner. A total of 10 drilled wells.
- As of December 31, 2019, Royale had proved developed reserves of 2,790,300 MCF and total proved reserves of 4,306,900 MCF of natural gas on all of the properties of Royale leases.
- As of December 31, 2019, Royale also had PDP oil and natural gas liquids of 232,200 barrels and total provided oil and natural gas liquid combined reserves of 2,171,000 barrels.



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