



Attn: Trading and Market Making / Legal and Compliance / Operations / Systems
UNIFORM PRACTICE ADVISORY (UPC # 075-2004) June 30, 2004

Royale Energy, Inc. (NASDAQ:ROYL)

Royale Energy, Inc. (ROYL or "the company") announced on April 30, 2004 that their Board of Directors approved a stock split to be paid in four equal quarterly distributions of 6.5% to record holders as of the last business day of each quarter through March 2005. Pursuant to this notification and in accordance with NASD UPC Rule 11140, the first quarterly distribution of 6.5% was announced on the NASDAQ Daily Dividend List and quoted EX dividend on June 28, 2004, with a record date of June 30, 2004 and a payment date of July 14, 2004. Corresponding EX dates were also announced for the remaining three distributions at that time.

On June 23, the company announced that their Board of Directors approved a one-time 28% stock distribution to be paid on July 15, 2004 to record holders of June 30, 2004. Pursuant to this notification and in accordance with NASD UPC Rule 11140, an EX date of July 16, 2004 was announced.

The company's intent was to approve a single 28% stock split and to accelerate the four stock distributions into a one-time distribution of 28% on July 15, 2004 for ROYL record holders of June 30, 2004. Members are advised of the following:

- The first 6.5% distribution will remain EX dividend on June 28, 2004 in accordance with the announcement of April 30, 2004. The payable date of such distribution has been revised to July 15, 2004.
- The remaining three 6.5% distribution announcements are hereby rescinded.
- *The remaining 21.5% distribution will be quoted EX dividend on July 2, 2004.* The record date is June 30, 2004 and the payable date is July 15, 2004 for this distribution.

Questions regarding this notice should be directed to: Market Integrity Department, 203.375.9609.

Tara Petta
Associate Director