



Citadel Exploration, Inc. Announces a New Two-Year Lease at Project Indian

OJAI, Calif.--(March 9, 2012)--Citadel Exploration, Inc. (OTCQB: COIL) today is pleased to announce that it has successfully negotiated a new two-year lease at Project Indian.

"This is a huge achievement for us," said Armen Nahabedian, President and CEO. "We have a number of opportunities we would like to pursue, and with this extension, new doors have been opened. The property is now marketable for a sale, and proceeds from a potential sale could be used to help build our company." Project Indian is a shallow heavy oil development accumulation in San Benito County, California. Citadel Exploration, Inc. is in active discussions regarding a sale of some or all of the interest in this project.

About Citadel Exploration, Inc.

Headquartered in Ojai, Calif., Citadel Exploration, Inc. (OTCQB: COIL), "COIL," is an oil and gas exploration and production company with operations in the Salinas Basin of California. COIL has a broad portfolio of capital investment opportunities arising from the management's extensive knowledge of the geology and the history of oil and gas exploration and development in California as well as a long-term presence and familiarity and relationships with other companies engaged in oil and gas industry in California.

For more information on the company, visit www.citadelexploration.com.

Forward-Looking Statement: Statements such as any perceived benefit from "a potential sale could be used to help build our company" involve risks and uncertainties, including, but not limited to our ability to sell or sublease the property under the current lease agreement, general economic conditions which would prevent a sale or assignment of the lease, or economic conditions which would prevent a sale or assignment on terms beneficial to us.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this news release include market conditions, our inability to negotiate terms in a sale or sublease, and those set forth in reports or documents we file from time to time with the SEC. We undertake no obligation to revise or update such statements to reflect current events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Contacts

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