NEWS RELEASE

ESSENTIAL ENERGY SERVICES ANNOUNCES 2010 FIRST QUARTER RESULTS AND INCREASED CAPITAL SPENDING BUDGET

CALGARY, ALBERTA May 11, 2010 - Essential Energy Services Ltd. (TSX: ESN) announces 2010 first quarter results. When used in this document, the term "Essential" refers to Essential Energy Services Trust, as it existed prior to the conversion to a corporation on April 29, 2010 and after the conversion refers to Essential Energy Services Ltd., the successor in interest to Essential Energy Services Trust.

“We are very pleased with Essential’s first quarter results” said Garnet Amundson, President and Chief Executive Officer. “The activity increase that began at the end of 2009 continued into the first quarter and with EBITDAS of $10.3 million, Essential’s first quarter of 2010 exceeded the first quarter of 2009. Essential has no debt outstanding, which sets us apart from most services companies and positions us well for potential growth opportunities.”

HIGHLIGHTS

Operational

- EBITDAS[(1)] was $10.3 million for the first quarter of 2010. This reflects higher utilization but generally lower service pricing relative to the first quarter of 2009.
- The versatility of much of Essential’s fleet has allowed it to respond to the general shift in the Western Canadian Sedimentary Basin (“WCSB”) toward oil activity. In the first quarter, over 80% of the work in the Well Servicing division and the tools business was focused on oil related service work. At today’s price of oil that work is expected to continue.
- Service rig and coil tubing utilization benefited from an increased focus on maintenance and abandonment programs that many customers had suspended in 2009.
- There was continued success with the deep coil tubing rig and multi-stage fracturing services due to their focus on horizontal wells.

Corporate and Financial

- Essential completed its conversion to a corporation effective April 29, 2010.
- The $14.95 million equity financing on March 31, 2010 provided funds for capital spending, reducing bank indebtedness and for general corporate purposes.
- On April 30, 2010, Essential renewed its $50 million credit facility until May 31, 2011.

Essential had no long-term debt outstanding on March 31, 2010. On May 11, 2010, there continued to be no debt outstanding and Essential had a cash balance of $4.8 million.

SELECTED FINANCIAL INFORMATION

($ Thousands, except per unit amounts)		Three months ended March 31, 2010		2009
Revenue		**46,220**		42,198
Gross margin[1]		**13,253**		10,762
Gross margin as a percentage of revenue[1]		**29%**		26%
EBITDAS[1]		**10,323**		8,027
EBITDAS as a percentage of revenue[1]		**22%**		19%
Net earnings		**3,605**		5,562
Per unit – basic and diluted	**$**	**0.06**	$	0.09
Funds flow from operations [1]		**10,103**		7,785
Per unit – basic and diluted	**$**	**0.17**	$	0.13
Total assets		**175,447**		189,998
Total long term debt		**-**		18,928
Unitholders' equity		**161,368**		158,780

(1) Refer to Non-GAAP measures at the end of this news release.

OVERVIEW OF SECTOR ACTIVITY

Positive momentum at the end of 2009 carried into the first quarter of 2010 resulting in improved utilization in the Canadian oilfield services sector. Access to capital allowed exploration and production companies to reinstate programs, particularly maintenance and abandonment programs, that were suspended in 2009. This additional capital, combined with the relatively high price of oil, stimulated activity throughout the WCSB. While activity levels have improved, the persistent low price of natural gas hampered natural gas related activity in the WCSB. Service rig utilization improved on a year over year basis however it continues to be below historical levels.

Demand for production and workover services during the quarter was driven by the relative strength of oil prices. A backlog for these services was created in 2009 when exploration and production companies curtailed maintenance programs due to low commodity prices, cash flow constraints and restricted access to capital.

The number of well completions in the WCSB remained at historically low levels due to the price of natural gas, an overall reduction of wells drilled in the WCSB and an increase in the number of horizontal wells being drilled. The time required to drill a horizontal well is substantially greater than the time required to drill a vertical well due to the increased depth and complexity of horizontal wells. This results in additional lead time before completion work is performed and may create an additional backlog of completion work in future periods.

The stabilization of well servicing pricing towards the end of 2009 carried into the first quarter of 2010 as activity levels continued to improve. In spite of this stability, the rates for the first quarter of 2010 were significantly below 2009 levels.

OVERVIEW OF RESULTS

With a quarter over quarter increase in EBITDAS[1], Essential is pleased with its performance in the first quarter of 2010. Amidst industry uncertainty with respect to natural gas pricing and storage levels, Essential posted one of its best financial quarters in recent history. Service rig utilization was up over prior quarters and pricing levels stabilized as customers were willing to pay a fair price to secure quality personnel and equipment to complete their service requirements in a safe and efficient manner.

Essential's operations shifted from a natural gas to an oil focus in response to customer demand. The quality and versatility of Essential's operations resulted in improved operating results across all segments during the first quarter of 2010. Essential's service rig operations benefited from exploration and production companies increasing activity in maintenance and abandonment work. The deep coil tubing rig and multi-stage fracturing service offerings introduced in 2009 also continued to be successful due to their focus on horizontal wells. Additionally, the effectiveness of cost reduction initiatives implemented by management over the past year enabled Essential to increase gross margin as a percentage of revenue(1) in comparison to the prior year despite lower revenue rates in 2010 compared to 2009.

Revenue

	Three months ended March 31,	
(Thousands)	**2010**	2009
Revenue		
Well Servicing	**$ 30,642**	$ 27,986
Downhole Services & Rentals	**15,578**	14,212
	$ 46,220	$ 42,198

Revenue for the three months ended March 31, 2010 was $46.2 million, compared to $42.2 million for the same period in 2009.

Comparative fleet information is as follows:

	As at March 31,	
	2010	2009
Well Servicing Equipment*:		
Service Rigs	**51**	55
Rod Rigs	**23**	27
Coil Tubing Rigs	**30**	32
Wireline Equipment:		
E-line Trucks	**14**	14
Slickline Trucks	**6**	7

* In addition to the fleet of service rigs, rod rigs and coil tubing rigs, Essential provides ancillary services through nitrogen pumpers, a cement & acid unit and other specialty equipment.

Well Servicing

Essential provides well completion and production/workover services across western Canada through its fleet of service rigs, rod rigs and coil tubing rigs. Well Servicing generated revenue of $30.6 million for the three months ended March 31, 2010, compared to $28.0 million for the same period in 2009.

Comparative utilization of the well servicing fleet is as follows:

	Three months ended March 31,	
	2010	2009
Essential Utilization		
Service Rigs	**55%**	39%
Rod Rigs	**38%**	36%
Coil Tubing Rigs	**42%**	38%

Utilization for Essential's service rig operations improved over the prior year, primarily due to the increase in oil based activity in the WCSB. Access to capital combined with the improved price of oil has led to reinstatement of maintenance programs by exploration and production companies and increased completion work on oil wells during the quarter. Additionally, exploration and production companies increased abandonment work during the quarter in order to meet regulatory requirements. Even with the improvements in activity, pricing is down due to competitive concessions given to Essential's customers in 2009. Downward pressure on pricing has eased and customers are now more willing to pay for quality equipment and crews.

Essential continued to have success with its intermediate and deep coil tubing rigs. The effectiveness of these rigs to work on horizontal wells in the shale plays of the Bakken, Cardium and Montney regions has benefited Essential's coil tubing operations in the current quarter. Revenue from the coil tubing operations was further improved in the current quarter from nitrogen and cement & acid services, which Essential offers in conjunction with coil operations.

Downhole Services & Rentals

Essential offers downhole tool and equipment rental operations in addition to electric wireline ("e-line") and slickline services through the Downhole Services & Rentals business segment. This segment generated revenue of $15.6 million for the three months ended March 31, 2010, compared to $14.2 million for the same period in 2009.

The downhole tool operations were a strong contributor to this segment in the first quarter of 2010. The multi-stage fracturing services introduced during the second quarter of 2009 continued to be an area of growth for Essential. This growth offset the revenue declines experienced in both the pipe rental and wireline businesses, both of which continued to be negatively impacted by reduced conventional gas drilling throughout the WCSB and reduced activity in the shallow gas resource plays of southern Alberta. In spite of declining revenues, the pipe rental and wireline businesses were able to maintain, and in the case of e-line improve, profitability in comparison to the prior year, as a result of the cost cutting measures implemented in 2009.

Operating Expenses

(Thousands)	Three months ended March 31, **2010**	2009
Operating expenses	**$ 32,967**	$ 31,436
As a % of revenue	**71%**	74%

Operating expenses were $33.0 million for the three months ended March 31, 2010, compared to $31.4 million for the same period in 2009.

Operating costs, including repairs and maintenance, fuel and certain labour costs, fluctuate in proportion to activity levels. Other operating costs, including costs associated with retaining key personnel, qualified equipment operators, maintaining service locations and insurance, are relatively fixed in nature and must be changed in steps in relation to a longer term industry outlook.

The significant cost reduction measures that were implemented in 2009 enabled Essential to reduce operating expense as a percentage of revenue in comparison to the prior year. The fixed nature of certain operating costs limited Essential's ability to reduce the total amount of operating expenses on a year over year basis.

General and Administrative Expenses

(Thousands)	Three months ended March 31, 2010	2009
General and administrative expenses	**$ 2,930**	$ 2,735
As a % of revenue	**6%**	7%

General and administrative expenses were $2.9 million for the three months ended March 31, 2010, compared to $2.7 million for the same period in 2009. These costs are comprised of wages, professional fees, office space and other administrative costs incurred at the corporate and business unit level.

The general and administrative costs in the first quarter of 2010 include $0.4 million related to the conversion to a corporation on April 29, 2010 and ongoing costs related to the implementation of International Financial Reporting Standards (“IFRS”), neither of which were incurred in 2009.

Equipment Expenditures

(Thousands)	Three months ended March 31, 2010	2009
Equipment expenditures		
Well Servicing	**$ 890**	$ 1,974
Downhole Services & Rentals	**281**	376
Corporate	**167**	270
	1,338	2,620
Less proceeds on disposal of property and equipment	**(339)**	(210)
Net equipment expenditures[(1)]	**$ 999**	$ 2,410

Net equipment expenditures[(1)] for the three months ended March 31, 2010 were $1.0 million compared to $2.4 million for the same period ended March 31, 2009.

Essential classifies its equipment expenditures as growth capital and maintenance capital; the latter category includes information systems, operational facilities and leasehold improvements. Comparative equipment expenditures are as follows:

(Thousands)	Three months ended March 31, 2010	2009
Equipment expenditures		
Growth capital	**$ 838**	$ 1,566
Maintenance capital	**500**	1,054
	$ 1,338	$ 2,620

Essential’s growth capital in the first quarter of 2010 was spent primarily for the acquisition of an intermediate coil tubing rig.

2010 CAPITAL SPENDING BUDGET

Based on the recent improvement in customer activity, Essential has increased the 2010 capital spending budget by $5.8 million. This increases the capital spending budget from $6.2 million to $12.0 million. The incremental spending will include $2.8 million for growth capital and $3.0 million for net maintenance capital. The increased growth capital will be used primarily to build an additional deep coil tubing rig.

OUTLOOK

The improvement in first quarter activity has largely been attributable to an increase in oil based activity resulting from the strength of oil prices and increased spending budgets of exploration and production companies. Oil based activity is anticipated to continue after spring break up. The low price of natural gas and continued supply and demand imbalance in North America continues to put a damper on the overall outlook for natural gas activity. The versatility of much of Essential's fleet has allowed it to respond to the general shift toward oil activity in the WCSB so that over 80% of the work in the Well Servicing division and the tools business is now focused on oil related work. Any increase in the natural gas outlook should provide additional opportunity for Essential's businesses.

The Alberta government announced changes to the royalty program in March 2010 that effectively restored the royalty regime to a similar position prior to the overhaul that was announced two years ago. This is very positive news for the oil and gas industry and for the oilfield services sector, even though not effective until 2011.

The shift toward horizontal and directional drilling and interest in the Cardium and Viking resources plays is expected to continue. Essential's service rigs, coil tubing rigs and multi-stage fracturing services are effective working on horizontal and directional wells. Essential expects to continue to benefit from increased interest and customer spending in the Cardium and Viking resource plays in north central Alberta as a large number of Essential's field operations are located in close proximity to these plays. In addition, a recent increase in the amount of abandonment work is expected to continue as customers are required to meet their regulatory requirements.

In response to improving activity levels and business opportunities, Essential has increased its 2010 capital spending program from $6.2 million to $12.0 million. The increase will be directed towards a new deep coil tubing rig, expected to be in service late in the fourth quarter of 2010, and ongoing capital maintenance requirements of the existing fleet.

Essential is taking a strategic and considered approach to assessing business opportunities in Colombia and Mexico. Management believes there are opportunities to introduce more efficient well servicing processes in these regions with a portion of Essential's current equipment. It is anticipated that expansion will be undertaken with a joint venture arrangement with a strategic local partner. Essential hopes to be working in Colombia before the end of 2010.

While the outlook for the oilfield services sector and for Essential has continually been improving over the last few months, there continues to be a concern with natural gas prices. However, with the recent equity offering, Essential has no debt outstanding, which positions it well to deal with any industry uncertainties and allows it to respond quickly to growth opportunities.

Essential's Management's Discussion & Analysis and Financial Statements will be available on Sedar at www.sedar.com and on Essential's website at www.essentialenergy.ca.

ESSENTIAL ENERGY SERVICES TRUST
CONSOLIDATED BALANCE SHEETS
(unaudited)

(Thousands)	**As at March 31, 2010**	As at December 31, 2009
Assets		
Current assets		
Cash	**$ -**	$ 1,080
Accounts receivable	**36,019**	22,855
Inventory	**8,427**	9,194
Prepaid expenses and deposits	**1,563**	1,897
	46,009	35,026
Property and equipment	**122,619**	125,704
Assets held for sale	**1,185**	1,215
Intangible assets	**3,673**	3,853
Future income tax asset	**1,961**	3,582
	$ 175,447	$ 169,380
Liabilities		
Current liabilities		
Bank indebtedness	**$ 209**	$ -
Accounts payable and accrued liabilities	**13,870**	9,413
Current portion of long-term debt	**-**	3,228
	14,079	12,641
Long-term debt	**-**	13,372
	14,079	26,013
Unitholders' Equity		
Unitholders' capital	**279,617**	265,573
Contributed surplus	**7,074**	6,722
Accumulated deficit	**(125,323)**	(128,928)
	161,368	143,367
	$ 175,447	$ 169,380

ESSENTIAL ENERGY SERVICES TRUST
CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE EARNINGS AND ACCUMULATED DEFICIT
(unaudited)

(Thousands, except per unit amounts)	For the three months ended March 31, **2010**	2009
Revenue	**$ 46,220**	$ 42,198
Operating expenses	**32,967**	31,436
	13,253	10,762
Expenses		
General and administrative	**2,930**	2,735
Unit-based compensation	**352**	388
Depreciation and amortization	**4,432**	4,903
Interest on long-term debt	**220**	242
(Gain) loss on disposal of assets	**(138)**	47
Earnings before income taxes	**5,457**	2,447
Income tax expense (recovery)		
Future	**1,852**	(3,115)
Net earnings and comprehensive earnings	**3,605**	5,562
Accumulated deficit, beginning of period	**(128,928)**	(116,257)
Distributions to unitholders	**-**	(1,994)
Accumulated deficit, end of period	**$ (125,323)**	$ (112,689)
Net earnings per unit		
Basic	**$ 0.06**	$ 0.09
Diluted	**$ 0.06**	$ 0.09

ESSENTIAL ENERGY SERVICES TRUST
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

(Thousands)	For the three months ended March 31, **2010**	2009
Operating activities:		
Net earnings	**$ 3,605**	$ 5,562
Items not affecting cash:		
Depreciation and amortization	**4,432**	4,903
Future income tax expense (recovery)	**1,852**	(3,115)
Unit-based compensation	**352**	388
(Gain) loss on disposal of assets	**(138)**	47
Funds flow from operations	**10,103**	7,785
Changes in non-cash working capital	**(7,781)**	(3,772)
	2,322	4,013
Financing activities:		
Issuance of Trust units, net of costs	**13,813**	-
Increase (decrease) in long-term debt	**(16,391)**	1,553
Distributions paid	**-**	(2,694)
Changes in non-cash working capital	**175**	-
	(2,403)	(1,141)
Investing activities:		
Property and equipment	**(1,338)**	(2,620)
Proceeds on disposal of equipment	**339**	210
Changes in non-cash working capital	-	(462)
	(999)	(2,872)
Change in cash	**(1,080)**	-
Cash, beginning of the period	**1,080**	-
Cash, end of the period	**$ -**	$ -
Supplementary cash flow information:		
Interest paid	**$ 225**	$ 262

[1]Non-GAAP Measures

Throughout this news release, certain terms that are not specifically defined in Canadian Generally Accepted Accounting Principles ("GAAP") are used to analyze the operations. In addition to the primary measures of net earnings and net earnings per unit in accordance with GAAP, Essential believes that certain measures not recognized under GAAP assist both Essential and the reader in assessing performance and understanding Essential's results. Each of these measures provides the reader with additional insight into Essential's ability to fund principal debt repayments and capital programs. These non-GAAP measures are not recognized measures under GAAP. As a result, the method of calculation may not be comparable with other companies or Trusts. These measures should not be considered alternatives to net earnings and net earnings per unit as calculated in accordance with GAAP.

Gross margin – This measure is considered a primary indicator of operating performance as calculated by revenue less operating expenses.

Gross margin as a percentage of revenue – This measure is considered a primary indicator of operating performance as calculated by gross margin divided by revenue.

EBITDAS (Earnings before interest, income taxes, depreciation, amortization, non-controlling interest earnings, losses or gains on disposal of equipment, results of discontinued operations, impairment of goodwill and unit based compensation) – This measure is considered an indicator of Essential's ability to generate funds flow in order to fund required working capital, service debt, pay current income taxes and fund capital programs.

EBITDAS as a percentage of revenue – This measure is considered an indicator of Essential's ability to generate funds flow as calculated by EBITDAS divided by revenue.

Funds flow or funds flow from (used in) operations – This measure is an indicator of Essential's ability to generate funds flow in order to fund working capital, principal debt repayments and capital programs. Funds flow or funds flow from operations is defined as cash flow from operations before changes in non-cash operating working capital. This measure is useful in assessing Essential's operational cash flow as it provides cash generated in the period excluding the timing of non-cash operating working capital. This reflects the ability of the operations of Essential to meet the above noted funding requirements.

Growth capital – Growth capital is capital spending which is intended to result in incremental increases in revenue. Growth capital is considered to be a key measure as it represents the total expenditures on equipment expected to add incremental revenues and funds flow to Essential.

Net maintenance capital – Equipment additions that are incurred in order to refurbish or replace previously acquired equipment less proceeds on the disposal of retired equipment. Such additions do not provide incremental increases in revenue. Net maintenance capital is a key component in understanding the sustainability of Essential's business as cash resources retained within Essential must be sufficient to meet net maintenance capital needs to replenish the assets for future cash generation.

Net equipment expenditures – This measure is equipment expenditures less proceeds on the disposal of equipment. Essential uses net equipment expenditures to assess net cash flows related to the financing of the Essential's oilfield services equipment.

ABOUT ESSENTIAL

Essential Energy Services Ltd. is a growth-oriented corporation that provides oilfield services to oil and gas producers in western Canada for servicing of producing wells and new drilling activity. Essential provides services through its Well Servicing and Downhole Services & Rentals divisions. With 51 service rigs, Essential is the 6th largest service rig provider in Canada. With 30 coil tubing rigs, Essential has the largest coil tubing well service fleet in Canada. Essential sells and services a full-range of downhole tools including multistage fracturing services and offers rental equipment. Essential also has 20 wireline trucks. Further information about Essential can be found at www.essentialenergy.ca.

READER ADVISORY

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking statements including expectations as to the benefits and the conversion to a corporation (the "Conversion") called Essential Energy Services Ltd. (the "Corporation"), plans of the Corporation on completion of the Conversion and the effect thereof, expectations regarding the implementation of legislation, expectations regarding capital spending and cost saving measures, expectations regarding payment of income taxes, expectations regarding the conversion to IFRS, the sources of capital and uses of such capital, the services offered by the Corporation and the relocation of these services to different geographic areas, expectations of future cash flow and earnings, expectations regarding the Corporation's ability to access credit from its lenders, expectations with respect to the demand for and price of oil and natural gas including natural gas storage levels, expectations regarding the level and type of drilling and production activity in the Western Canadian Sedimentary Basin and expectations regarding the business, operations and revenues of the Corporation in addition to general economic conditions. Although the Corporation believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Corporation can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oilfield services sector (e.g. demand, pricing and terms for oilfield services; current and expected oil and gas prices; exploration and development costs and delays; reserves discovery and decline rates; pipeline and transportation capacity; weather, health, safety and environmental risks), integration of acquisitions, competition, and uncertainties resulting from potential delays or changes in plans with respect to acquisitions, development projects or capital expenditures and changes in legislation, including but not limited to tax laws, royalties and environmental regulations, failure to realize the benefits of the Conversion, stock market volatility and the inability to access sufficient capital from external and internal sources and the inability to pay dividends. Accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the Corporation's financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) for each of Essential Energy Services Trust and the Corporation. The forward-looking statements and information contained in this news release are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.