



## NEWS RELEASE

### ESSENTIAL ENERGY SERVICES ANNOUNCES THE SALE OF WIRELINE ASSETS

CALGARY, ALBERTA February 1, 2012 - Essential Energy Services Ltd. (TSX: ESN) ("Essential" or the "Company") announces it has completed the sale of its wireline assets to Welltec Canada Inc. ("Welltec") for cash proceeds of \$7.5 million effective February 2, 2012. The sale includes 14 electric wireline trucks, related equipment and inventory. The wireline employees are expected to transfer to Welltec with the purchased assets. These assets were considered non-core to Essential's focus on well servicing through coil tubing, service rigs and downhole tools. Essential will use the proceeds to reduce bank debt.

#### ABOUT ESSENTIAL

Essential operates the largest coil tubing well service fleet in Canada with 51 coil tubing rigs and a fleet of 59 service rigs. Essential is a growth-oriented corporation that provides oilfield services to oil and gas producers in western Canada for servicing producing wells and new drilling activity. Essential also sells, rents and services downhole tools and equipment including the Tryton Multi-Stage Fracturing System. Further information can be found at [www.essentialenergy.ca](http://www.essentialenergy.ca).

#### ABOUT WELLTEC

Welltec Canada, Inc. is a Canadian subsidiary of the Welltec Corporation. Welltec Corporation is a global, technology based, oilfield services company providing a variety of robotic, well intervention technologies and innovative completion products. Further information can be found at [www.welltec.com](http://www.welltec.com).

#### 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 the transfer of wireline employees and the use of proceeds to reduce bank debt.

Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are made are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that such statements and information 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. Accordingly, readers should not place undue reliance on the forward-looking statements.

The forward-looking statements and information contained in this news release are made as of the date hereof and the Company 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 neither approved nor disapproved the contents of this press release.*