



NEWS RELEASE

ESSENTIAL ENERGY SERVICES ANNOUNCES THE SALE OF ITS HYBRID DRILLING ASSETS

Calgary, Alberta November 16, 2012 – Essential Energy Services Ltd. (TSX: ESN) (“Essential” or the “Company”) has sold its five hybrid drilling rigs (the “Rigs”) and associated support equipment and inventory to Superior Coring Systems Inc. (“Superior”) for cash proceeds of \$16.75 million. The sale closed effective November 15, 2012 (the “Closing”).

One of the Rigs was recently damaged while in transit by a third party trucking company and as a result, the proceeds will be received in two stages. Four of the Rigs and all inventory and support equipment were transferred at Closing for cash proceeds of \$14.75 million. All Rig employees are expected to transfer with the assets at this time. Upon repair of the fifth Rig, it will be delivered to Superior in exchange for the remaining proceeds of \$2 million. The cost to repair the fifth Rig is expected to be fully funded by insurance proceeds.

Essential acquired the Rigs as part of the acquisition of Technicoil Corporation in 2011. These Rigs have been considered non-core to Essential’s focus on well servicing through coil tubing, service rigs and downhole tools. Proceeds will be used to reduce bank debt.

ABOUT ESSENTIAL

Essential is a growth-oriented, dividend paying corporation that provides oilfield services to oil and gas producers in western Canada for servicing producing wells and new drilling activity. Essential operates the largest coil tubing well service fleet in Canada with 47 coil tubing rigs and a fleet of 57 service rigs. 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.

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 expectation that all Rig employees will transfer with the assets, repair of the fifth Rig will be fully funded by insurance proceeds, completion of the sale of the fifth Rig, receipt of the final payment for the fifth Rig and the use of proceeds from the fifth Rig 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 news release.