



NEWS RELEASE

ESSENTIAL ENERGY SERVICES ANNOUNCES COLOMBIA STRATEGY, JOINT VENTURE AND 2010 CAPITAL SPENDING UPDATE

CALGARY, ALBERTA November 8, 2010 – Essential Energy Services Ltd. (TSX: ESN) (“Essential”) is pleased to announce recent accomplishments and commitments regarding its entry into the oilfield services market in Colombia.

Essential will operate in Colombia through a joint venture arrangement with a private Colombian group (the “Partner”) under the name of Essential Energy Services S.A. (Sucursal) Colombia (“Essential Colombia” or the “Company”). Under the terms of the joint venture agreement, Essential owns 85% and the Partner owns 15% of Essential Colombia. The Partner has the option to purchase an additional 5% at a later date. The initial equity will be funded through varied contributions of equipment, cash and other commitments. It is anticipated that future capital spending, if any, will be financed through operating cash flow and a future local credit facility in Colombia. Essential believes the joint venture relationship provides access to and an understanding of Colombian labour, business regulations and customer relationships.

The Partner operates under the leadership of Mr. Jose Fernando Aramburo. Mr. Aramburo has over 30 years of international oil and gas experience having participated in major exploration and drilling programs in over 20 countries for ExxonMobil. He is the Chief Operating Officer of Winchester Oil and Gas, a Colombian operator with interests in nine blocks. Mr. Aramburo was also one of the founders of SAR Energy S.A., an oil and gas service company that has been operating for over 3 years, offering well testing, early production facilities and gas processing services to oil and gas producers and operators in Colombia.

In November 2010, Essential plans to commence the transfer of certain equipment from its Canadian fleet to Essential Colombia. This equipment is expected to be commissioned in Colombia in January 2011. Essential Colombia plans to open a corporate office in Bogota and offer well servicing and wireline services from a field office and operating base in Villavicencio in the first quarter of 2011. Villavicencio is located in the heart of the Llanos region which is one of the fastest growing oil and gas exploration regions in Colombia. Essential believes that customer workover and completion needs, well pressures and depths in this region are relatively similar to those in western Canada, with the advantage of having minimal periods when operations are disrupted by weather. Essential Colombia believes there is a strong demand for its services in Colombia as both the Canadian equipment design and proven Canadian services practices will offer operators in Colombia a competitive advantage in terms of efficiencies and cost savings. Initial services will be offered using temporary Canadian expatriate labour and local Colombian labour, with expectations that there is sufficient skilled local labour to crew most of the services once training has been completed.

Essential’s Colombian operations are being managed by Mr. Timothy Beals, Director of Business Development, Latin America. Mr. Beals joined Essential in January 2010 and has been instrumental in the successful progress of the Colombian strategy to date. Having lived in Colombia for over 35 years, Mr. Beals has extensive Colombian business relationships and cultural knowledge. He has over 28 years of business experience and was most recently the Trade and Investment Director, U.S. and Americas Branch for the Government of Alberta.

Essential's initial equipment contribution is expected to include two double service rigs, three double rod rigs, an intermediate depth coil tubing rig, one nitrogen pumper, two electric wireline trucks and various spare parts and support equipment. The current appraised value of this equipment, including costs incurred to ready the equipment for use in Colombia and acquire certain ancillary equipment, is approximately \$6.9 million. In addition, Essential has committed to the construction of a deep coil tubing rig and picker and two rod rig accelerator units for Colombia. These items, valued at approximately \$3.0 million, are being fabricated in Canada and are expected to be shipped to Colombia early in the second quarter 2011 along with a second nitrogen pumper from Essential's Canadian fleet, which has an appraised value of \$0.8 million. Essential Colombia is responsible for importation and duty costs related to these two equipment shipments. The Company is also entering into purchase and fabrication commitments in Colombia for additional parts and support equipment valued at approximately \$1.3 million. Depending on customer demand, additional Canadian equipment may be transferred to Essential Colombia in the second half of 2011.

Essential Colombia is in discussions with several exploration and production companies and is actively seeking execution of contracts. In Colombia, there are currently more than 70 exploration and production companies with active operations, including approximately 20 Canadian operators. Essential Colombia believes there is strong demand for its services in Colombia.

Colombia is the third largest oil and gas producer in South America offering one of the most favorable royalty regimes. The Colombian government is targeting a production increase from 800,000 barrels per day ("bpd") to 1 million bpd in 2010 and 1.4 million bpd in the next three to four years. A meaningful percentage of this increase is expected to come from increasing production in current wells through stimulation and workover programs, thus increasing the demand for oilfield services. Well depths and production profiles are similar to western Canada which will allow Essential to use its equipment and expertise to offer efficiencies and cost savings to Colombian producers.

ESSENTIAL'S 2010 CAPITAL SPENDING UPDATE

Essential's 2010 capital spending budget has increased to \$19 million including \$8 million for growth capital, \$5 million for acquisitions and \$6 million for net maintenance expenditures. The \$3 million overall increase will be incurred in the fourth quarter and includes \$2 million for Colombia, as outlined above, and \$1 million for Canadian operations. Year-to-date net equipment expenditures at September 30, 2010 were \$10 million. Previously budgeted fourth quarter spending includes a deep coil tubing rig for Canada and maintenance capital. This deep coil tubing rig for Canada is expected to be in service in December 2010.

ABOUT ESSENTIAL

Essential Energy Services Ltd. is a growth-oriented corporation that provides oilfield services to oil and gas producers in western Canada and Colombia for servicing 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 32 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 the Tryton Multi-Stage Fracturing System and other rental equipment. Essential also provides slickline, perforating and logging services with 20 wireline trucks. Further information about Essential can be found at www.essentialenergy.ca.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain statements contained in this press release that are not historical facts constitute forward-looking statements within the meaning of applicable Canadian securities legislation. All forward-looking statements are based on Essential's and Essential Colombia's beliefs and assumptions based on information available at the time the assumption was made. The use of any of the words "could", "should", "can", "hope", "anticipate", "plan", "believe", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well positioned" and similar expressions are intended to identify forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Essential and Essential Colombia believe that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the

date of this press release. In particular, this press release contains forward-looking statements pertaining to the following: future capital spending; joint venture providing positive access to and understanding of Colombian market; transferring certain equipment from Essential's Canadian fleet; type and availability of such equipment; opening of a corporate office in Colombia; customer demand for services and equipment in Colombia; financing Colombian based activities through operating cash flow and securing a future local credit facility in Colombia; Essential Columbia's competitive advantage; timing of commencing operations in Colombia and availability of sufficient skilled labour in Colombia.

These forward-looking information and statements are based on certain assumptions and analysis made by Essential in light of its experience and its perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate in the circumstances. However, whether actual results, performance or achievements will conform to Essential's expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results to differ materially from Essential's expectations. Such risks and uncertainties include, but are not limited to: fluctuations in the price and demand for oil and natural gas; fluctuations in the level of oil and natural gas exploration and development activities; fluctuations in the demand for well servicing and ancillary oilfield services; capital market liquidity available to fund customer programs; uncertainties associated with partner plans and approvals; the effects of seasonal and weather conditions on operations and facilities; the existence of competitive operating risks inherent in well servicing and ancillary oilfield services; general economic, market or business conditions; changes in laws or regulations; the availability of qualified personnel, management or other key inputs; currency exchange and interest rate fluctuations; uncertainties associated with regulatory approvals; uncertainty of government policy changes; uncertainties associated with credit facilities and counterparty credit risk; changes in income tax laws or changes in tax laws, crown royalty rates and incentive programs relating to the oil and gas industry; changes in political and security stability; the ability of Essential to enforce legal rights in foreign jurisdictions; the ability of Essential Colombia to obtain government permits; risks associated with government regulations and environmental health and safety matters; differences between Canadian GAAP and IFRS; and other unforeseen conditions which could impact the use of equipment and services supplied by Essential and Essential Colombia.

Consequently, all of the forward-looking information and statements made in this press release are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by Essential will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Essential or its business or operations. Readers are therefore cautioned not to place undue reliance on such forward-looking information and statements. Except as may be required by law, Essential assumes no obligation to update publicly any such forward-looking information and statements, whether as a result of new information, future events or otherwise.

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The TSX has neither approved nor disapproved the contents of this press release.