



**PRESS RELEASE**

**WESTERN ENERGY SERVICES CORP. ANNOUNCES COMPLETION OF PRIVATE OFFERING  
OF SENIOR NOTES**

**FOR IMMEDIATE RELEASE: January 30, 2012**

CALGARY, ALBERTA – Western Energy Services Corp. (“**Western**”) (TSX: WRG) announced today that it has completed its previously announced private offering of C\$175.0 million aggregate principal amount of 7% senior unsecured notes due January 30, 2019 (the “**Notes**”). The notes were issued at par. Western intends to use the net proceeds from the offering to repay all of its outstanding indebtedness under its secured credit facilities and for general corporate purposes. In conjunction with the closing of the sale of the Notes, Western has also voluntarily reduced its revolving credit facility from C\$150 million to C\$125 million. Western’s operating facility of C\$10 million remains unchanged.

The offering was underwritten by RBC Capital Markets, as sole lead bookrunning manager, in a syndicate that included HSBC Securities (Canada) Inc., AltaCorp Capital Inc. and GMP Securities L.P.

This press release and the information contained herein does not constitute an offer of the notes for sale in the United States and the notes may not be offered or sold in the United States, absent registration or an applicable exemption from the registration requirements of the United States Securities Act of 1933, as amended and applicable state securities laws. The notes have not been and will not be registered under the United States Securities Act of 1933, as amended.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Notes, nor shall there be any offer or sale of the Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

**About Western Energy Services Corp.:**

Western is an oilfield services company which provides contract drilling services through its wholly-owned subsidiaries Horizon Drilling Inc. in Canada and Stoneham Drilling Corporation in the United States. In addition, Western has commenced operations of its wholly-owned subsidiary Matrix Well Servicing Inc. with the first two of five next generation well servicing rigs now delivered.

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**FORWARD-LOOKING STATEMENTS AND INFORMATION:**

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. All statements other than statements of historical fact contained in this press release may be forward-looking statements and forward-looking information. In particular, forward-looking information and statements in this press release include, but are not limited to, the use of the net proceeds from the offering. These forward-looking statements and information are based on certain key expectations and assumptions made by Western, including the assumption that the proceeds will be used as currently intended. Although Western 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 as Western cannot give any 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, general economic, market and business conditions. Readers are cautioned that the foregoing list of risks and uncertainties is not exhaustive. Additional information on these and other risk factors that could affect Western's operations, financial results and the completion of the offering are included in Western's annual information form and the other disclosure documents filed by Western with securities regulatory authorities which may be accessed through the SEDAR website at [www.sedar.com](http://www.sedar.com). The forward-looking statements and information contained in this press release are made as of the date hereof and Western does not undertake any 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.