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FOR IMMEDIATE RELEASE:

WESTERN ENERGY SERVICES CORP. TO CONSOLIDATE ITS COMMON SHARES ON THE BASIS OF ONE SHARE FOR EACH 20 COMMON SHARES HELD

CALGARY, ALBERTA – May 17, 2011/CNW/ - Western Energy Services Corp. ("**Western**" or the "**Company**") (TSX Venture WRG) is pleased to advise that it is proposing to consolidate its common shares. Additional information relating to the proposed consolidation is included in Western's Information Circular dated May 12, 2011 which will be available on SEDAR at <u>www.sedar.com</u>.

Western has mailed its Information Circular with respect to its annual and special meeting of Shareholders scheduled for June 16, 2011 (the "**Meeting**"). As part of that Meeting the Shareholders of Western will be asked to approve a consolidation of its common shares on the basis of one new common share for each 20 common shares presently held (the "**Consolidation**").

There are currently 974,993,882 common shares of Western issued and outstanding, however, as previously disclosed, Western has entered into an agreement with Stoneham Drilling Trust ("**Stoneham**") with respect to a proposed arrangement (the "**Arrangement**") that, if approved by the unitholders of Stoneham, will result in further common shares of Western being issued.

The Arrangement is currently scheduled to close on June 10, 2011. The Arrangement allows for a choice by Stoneham unitholders of either cash or Western common shares for their units. If the Arrangement is completed, such will result in a minimum of 58,553,308 post-Consolidation Western common shares being outstanding and a maximum of 73,296,824 post-Consolidation Western common shares being outstanding. If the Arrangement is not completed there will be approximately 48,794,694 post-Consolidation Western common shares outstanding at the time of the Consolidation.

The Consolidation has been proposed due to the large number of Western common shares currently outstanding which will significantly increase if the Arrangement is completed.

The Consolidation, to be effective, must be approved by at least two-third of the common shareholders of Western present or represented by proxy at the Meeting and is also subject to approval by the TSX Venture Exchange ("**TSXV**").

Forward-Looking Information

This press release contains certain statements or disclosures relating to the Company that are based on the expectations of the Company as well as assumptions made by and information currently available to the Company which may constitute forward-looking information under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Company anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by

terms such as "forecast", "future", "may", "will", "expect", "anticipate", "believe", "potential", "enable", "plan", "continue", "contemplate", "pro-forma", or other comparable terminology.

In particular, this press release makes reference to the proposed Consolidation of its common shares. Such Consolidation is conditional upon approval by the Western shareholders by way of a special resolution at the Meeting and is also subject to approval of the TSXV. As such, there is a possibility that such Consolidation may not occur.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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