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WESTERN ENERGY SERVICES CORP. RELEASES THIRD QUARTER 2010 FINANCIAL AND OPERATING RESULTS

FOR IMMEDIATE RELEASE: November 18, 2010

CALGARY, ALBERTA - Western Energy Services Corp. ("Western" or the "Company") (TSX Venture: WRG) is pleased to release its third quarter 2010 financial and operating results. Additional information relating to the Company, including the Company's financial statements and management's discussion and analysis for the three and nine months ended September 30, 2010 will be available on SEDAR at **www.sedar.com**.

Highlights:

- Revenue in Q3 totalled $19.3 million, a $5.9 million increase (44%) over Q2;
- EBITDA in Q3 totalled $5.4 million (28% of revenue) resulting from our focused business strategy concentrating on customers operating in the resource plays in Canada;
- Utilization in the contract drilling subsidiary Horizon Drilling Inc. ("Horizon") averaged 61% in Q3 as compared to an industry average of 40%;
- The number of jobs completed in the production services subsidiary StimSol Canada Inc. ("Stimsol") in Q3 increased by 71% to 509 as compared to the same period of the prior year.;
- The Impact Drilling Ltd. ("Impact") acquisition closed on August 25, 2010 and has been successfully integrated;
- On October 18, 2010, Western and Pantera Drilling Income Trust ("Pantera") entered into an Arrangement Agreement, whereby Western has agreed to acquire all of the issued and outstanding units of Pantera in exchange for shares of Western. The total transaction value is approximately $64.1 million, including the assumption of debt. Pantera's assets consist of 7 drilling rigs, 3 top drives, and various spare tubulars, matting and ancillary equipment. The acquisition of Pantera will increase Western's contract drilling fleet to 22 rigs.

Selected Financial Information

Financial Highlights (stated in thousands of Canadian dollars, except share and per share amounts)	**Three Months Ended Sept 30, 2010**	**Three Months Ended Sept 30, 2009**	**Nine Months Ended Sept 30, 2010**	**Nine Months Ended Sept 30, 2009**
Revenue	19,320	921	37,035	2,787
EBITDA(1)	5,429	(226)	9,176	(558)
Cash from operating activities from continuing operations	3,241	(695)	6,958	(2,654)
Net income (loss) from continuing operations	10,523	(1,507)	22,140	(2,933)
- basic and diluted net income (loss) per share	0.02	(0.05)	0.05	(0.09)
Net income (loss)	10,154(2)	(1,650)	21,162(2)	(3,648)
- basic and diluted net income (loss) per share	0.02	(0.05)	0.05	(0.11)
Weighted average number of shares				
-basic	527,549,161	32,246,405	417,441,772	32,246,405
-diluted	552,431,255	32,246,405	448,351,277	32,246,405
Outstanding common shares as at period end	527,549,161	32,246,405	527,549,161	32,246,405
Dividends declared	-	-	-	-

(1) Non-GAAP measure.

(2) Includes an $8.7 million and $19.8 million non-recurring gain on acquisitions for the three and nine months ended September 30, 2010, respectively.

Operating Highlights	Three Months Ended Sept 30, 2010	Three Months Ended Sept 30, 2009	Nine Months Ended Sept 30, 2010	Nine Months Ended Sept 30, 2009
Contract Drilling				
Contract drilling rig fleet (end of period)	15	-	15	-
Rate per drilling day	23,165	-	23,686[2]	-
Drilling rig utilization rate	61%	-	54%[1]	-
CAODC industry average utilization rate	40%	-	32%[1]	-
Production Services				
Jobs completed	509	298	1,614	921
Average revenue per job completed	5,570	3,091	4,714	3,026

Financial Position at	September 30, 2010	December 31, 2009	September 30, 2009[5]
Working capital[3]	10,203	836	(1,600)
Property and equipment	124,946	5,414	16,290
Total assets	143,698	12,219	17,731
Long term debt[4]	24,432	22	10,865

(1) Utilization rates calculated from the date of acquisition of the contract drilling segment (March 18, 2010)
(2) Includes shortfall commitment revenue of $1.2 million on a take-or-pay contract.
(3) Working capital is calculated as current assets less current liabilities, excluding the current portion of long-term debt.
(4) Long term debt includes the current portion of long term debt.
(5) Includes results from both continuing and discontinued operations.

Outlook

The drilling industry in Canada is moving towards drilling wells of increased complexity. Currently, the Company has a fleet of 15 drilling rigs which are specifically suited for today’s drilling environment. Horizon’s Efficient Long-Reach (“ELR”) single rigs are specifically designed with integrated top-drives, triplex mud pumps, mechanized pipe handling equipment and range III tubulars. Horizon’s telescopic ELR doubles are also of modern design including necessary hook load capabilities, triplex mud pumps and are equipped with top-drives at the customer’s request. Horizon’s ELR triples are also designed with integrated top-drives, triplex mud pumps, mechanized pipe handling equipment including iron derrickman and range III tubulars.

With the strong market for oil and natural gas liquids, and the depressed market for natural gas, our customers are targeting oil and natural gas liquids-rich wells. Of the 62 wells drilled by the Company in the third quarter of 2010, 71% targeted oil, which is a trend that is expected to continue. The increased demand for oil and natural gas liquids has also led to an increase in the drilling of horizontal wells. During 2010, 43% of the wells drilled in western Canada were horizontal wells, representing a 59% increase over the prior year, all of which fits well with the Company’s current rig fleet with respect to pumping capabilities, top-drive requirements, and depth capacities.

Currently the industry is experiencing a shortage of qualified people; however our fleet is fully crewed with qualified personnel. We believe our modern fleet and corporate culture will provide a distinct advantage in attracting qualified individuals. Horizon has a proven track record for delivering high quality equipment and well trained, highly skilled crews to its customers who rely on Horizon to drill increasingly complex long reach horizontal wells. As such, Horizon is well positioned for future growth.

During 2010, the Company's utilization rates have consistently been above industry average, due to our modern rig fleet, strong customer base, and solid reputation. We expect this trend to continue through the fourth quarter and into 2011. Additionally, with the integration of companies over 2010, Western has been able to justify better rates to our customers by delivering a solid product, adding capital and adapting to our changing customer needs.

Capital expenditures, excluding the acquisition of Pantera, are expected to be approximately $11 million in the fourth quarter of 2010, substantially consisting of the construction of a top drive telescopic ELR double drilling rig, capable of drilling long reach horizontal wells.

With the acquisition of Pantera, expected to close on December 17, 2010, the Company will acquire an additional seven highly utilized drilling rigs, which are staffed with qualified employees, and have a strong customer base. The Pantera acquisition will position the Company with 22 drilling rigs, of which 21 are contracted through the 2011 winter drilling season. This acquisition will result in the combined entity being the seventh largest contract driller in Canada.

Western has successfully integrated Horizon, Cedar Creek, and Impact into one contract drilling operation. By maintaining an above average utilization rate, improved contract drilling day rates and low personnel turnover, Western has established a strong platform to be able to integrate the expected acquisition of Pantera and its employees in the fourth quarter of 2010 as well as integrating future acquisitions.

During the fourth quarter of 2010, Western's production services segment, Stimsol, will finalize its 2010 capital spending program with the completion of two additional acid compatible pressure units and plans to exit 2010 with a fleet of 13 revenue generating units and three chemical transportation units.

Western continues to focus its efforts on consolidating within the Canadian oilfield service industry. Management believes the current market conditions in the Canadian oilfield service sector still provide opportunity to diversify via acquisition and organic growth into three core business lines comprised of contract drilling, service rigs, and rental and production services.

Forward-looking statements

This press release contains certain statements or disclosures relating to the Company that are based on the expectation of its management 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, such forward-looking statements include:

a) "During 2010, the Company's utilization rates have consistently been above industry average, due to our modern rig fleet, strong customer base and solid reputation. We expect this trend to continue through the fourth quarter and into 2011."

   The forgoing assumes that drilling for oil and gas wells in Western Canada will continue at the present numbers or better, and that the Company will maintain utilization rates that have been significantly higher than the industry average. There is no assurance that drilling will not decrease or that the Company's utilization rates will be as high as recently experienced.

b) "With the acquisition of Pantera expected to close on December 17, 2010, the Company will acquire an additional seven highly utilized drilling rigs, which are staffed with qualified employees, and have a strong customer base. The Pantera acquisition will position the Company with 22 drilling rigs, of which 21 are contracted through the 2011 winter drilling season. This acquisition will result in the combined entity being the seventh largest contract driller in Canada."

   There is no assurance that all of the conditions to the Pantera transaction will be met and therefore there is a risk that the Pantera transaction will not be completed.

As such, many factors could cause the performance or achievement of Western or Pantera to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

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