



NEWS RELEASE

ESSENTIAL ENERGY SERVICES AND TECHNICOIL CORPORATION ANNOUNCE STRATEGIC COMBINATION

CALGARY, ALBERTA April 4, 2011 – Essential Energy Services Ltd. (TSX: ESN) (“**Essential**”) and Technicoil Corporation (TSX: TEC) (“**Technicoil**”) announced today they have entered into a definitive arrangement agreement (the “**Agreement**”) providing for the combination of their businesses (the “**Combination**”). The combined company will operate under the name Essential and will continue to trade on the Toronto Stock Exchange under the symbol “ESN”. After the Combination, Essential will expand its presence as the predominant coil tubing and nitrogen well service provider in Canada and will improve its position to become the operator of the fifth largest conventional service rig fleet in Canada.

The Agreement will be effected by way of a plan of arrangement (the “**Arrangement**”) under the *Business Corporations Act* (Alberta) whereby Technicoil shareholders will receive 0.7111 of a common share of Essential and \$0.80 cash for each Technicoil common share held (the “**Consideration**”). Upon completion of the Combination, the current shareholders of Essential will own approximately 58% and the shareholders of Technicoil will own approximately 42% of the combined entity. Based on Essential’s closing price on April 1, 2011, the Consideration equates to \$2.44 per Technicoil share.

The boards of directors of Essential and Technicoil have approved the Agreement. In addition, officers and directors holding approximately 1.9 million shares of Essential and approximately 2.3 million shares and 1.9 million options of Technicoil have agreed to sign lock-up agreements in support of the Combination. The proposed Combination is subject to customary stock exchange, regulatory and court approvals as well as shareholder approval of at least 66 2/3% of Essential and Technicoil shareholders each voting in person or proxy at their respective special meeting of shareholders expected to be held in late May, 2011. A joint information circular pertaining to the Combination will be mailed by each of Essential and Technicoil to their respective shareholders in early May, 2011.

Garnet Amundson, President and Chief Executive Officer of Essential, stated, “With the majority of new wells in western Canada being drilled horizontally, and with the expectation that this trend will continue, we believe that the demand for coil tubing well services will continue to see material growth. Together with our multi-stage fracturing system, the Combination will strengthen Essential’s position as a key player in the market for completions and workovers on horizontal wells. We are also excited about other growth opportunities within the combined business, including the addition of complementary pumping equipment, the expansion of our downhole tools business and our entry into the growing Colombian oil and gas sector. The Combination will strengthen our competitive position with customers across western Canada and provide continued opportunities for geographic expansion.”

Marvin Clifton, President and Chief Executive Officer of Technicoil, stated, “This transaction is an ideal opportunity to combine Technicoil’s business with a significant industry leading service provider, creating a company that will be a clear leader in the growing coil tubing well services

sector. The combined company will have the largest fleet of coil tubing well service rigs in Canada, including the most versatile mastered coil tubing rig fleet available. Technicoil shareholders will benefit from being part of a larger entity that has significant growth opportunities in western Canada, the US and internationally. Technicoil shareholders will realize immediate liquidity by receiving a portion of the consideration in cash, and will also be able to participate in the significant upside of the combined company with their ongoing share ownership.”

STRATEGIC RATIONALE

Management and the board of directors of each of Essential and Technicoil believe the Combination will provide many strategic benefits:

- The combined company will strengthen its position as the largest provider of coil tubing and nitrogen well services in Canada, and will operate the fifth largest fleet of conventional well service rigs.
- The combined company will be strategically positioned to service the various oil and liquids-rich natural gas resource plays in western Canada that are being developed with horizontal wells and multi-stage fracturing technology.
- Essential and Technicoil have complementary business lines and share common operational and safety philosophies which will allow for an efficient integration of the two businesses. The combined company will also benefit from operating and cost efficiencies realized through the consolidation of certain operating and administrative functions.
- The combined company will be well positioned to capitalize on various organic growth opportunities and complementary acquisitions within western Canada, and to continue to explore expansion into growing international markets, such as Colombia.
- The combined company will continue to provide an exciting and respected platform to attract and retain experienced personnel.

On a pro forma basis, 2010 EBITDA of the combined entity was \$55 million. Upon closing of the Combination, pro forma bank debt, including all transaction costs associated with the Combination, is expected to be approximately \$65 million. Essential will have approximately 123.2 million shares outstanding upon the closing of the Combination, prior to giving effect to any options of Essential or Technicoil which may be exercised prior to the closing.

EXECUTIVE MANAGEMENT

The combined company will be led by an experienced executive management team, including:

- Garnet Amundson, President & Chief Executive Officer
- Jeff Newman, Chief Financial Officer and Vice President, Finance
- Don Webster, Chief Operating Officer
- Kevin Job, Vice President, Operations

Marvin Clifton, President and Chief Executive Officer of Technicoil, and Robert Sprinkhuysen, Chief Financial Officer of Technicoil, are expected to continue in an ongoing advisory role with the combined company on a transition basis.

BOARD OF DIRECTORS

The board of directors of the combined entity will consist of four members from the current and nominated Essential board of directors and three members of the current Technicoil board of directors. James Banister, the current Chairman of the Board of Essential will remain the Chairman of the Board after the Combination. The other members of the board of directors are

expected to include: Nick Kirton and Garnet Amundson from the current Essential board of directors, Roderick Graham, Edward Grimes and Andrew Zaleski from the current Technicoil board of directors, and a new director nominee, Bob German, appointed by Essential.

EQUIPMENT OVERVIEW

The pro forma equipment upon closing of the Combination and at December 31, 2011 is expected to be:

	Essential	Technicoil	Closing	Dec. 31, 2011
Service Rigs	53	9	62	62
Coil Tubing Rigs	34	17	51	52
Nitrogen and Fluid Pumpers	16	5	21	37
Hybrid Drilling Rigs	0	5	5	5

OTHER TERMS OF THE COMBINATION

The Agreement contains customary terms and conditions for a transaction of this nature, including: representations and warranties of Essential and Technicoil and covenants applicable to each such entity until closing of the Combination regarding their respective business and affairs; a prohibition upon both Essential and Technicoil from soliciting or initiating any discussion concerning any other business combination or similar transaction prior to the completion or termination of the Combination; the right of Essential and Technicoil to match any unsolicited superior proposal received by the other party; and a reciprocal termination fee of \$5 million payable to either Technicoil or Essential, as the case may be, in certain circumstances. Essential will fund the aggregate cash consideration under the Combination through a committed credit facility to be secured with a syndicate of lenders.

FAIRNESS OPINIONS

Wellington West Capital Markets Inc. is acting as financial advisor to the board of directors of Essential and has provided the board of directors of Essential with a verbal opinion that, subject to the review of final documentation, the Consideration to be paid by Essential pursuant to the Arrangement is fair, from a financial point of view, to the holders of Essential common shares.

Peters & Co. Limited is acting as financial advisor to the board of directors of Technicoil and has provided the board of directors of Technicoil with a verbal opinion that, subject to the review of final documentation, the Consideration to be received by the holders of Technicoil common shares pursuant to the Arrangement is fair, from a financial point of view, to the holders of Technicoil common shares.

JOINT CONFERENCE CALL

Management of Essential and Technicoil will host a conference call at 10:00 am (MST) on Monday, April 4, 2011 to discuss the Combination. To call in, interested parties should dial 1-866-696-5910 (toll free) or 1-416-340-2217, and enter passcode 8611710. A replay of the conference call will be available until April 11, 2011 by dialling 1-800-408-3053 (toll free) or 1-905-694-9451, and entering passcode 4414878.

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 53 service rigs, Essential is the 6th largest service rig provider in Canada. With 34 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 perforating and logging services with 14 wireline trucks. Further information about Essential can be found at www.essentialenergy.ca.

ABOUT TECHNICOIL

Technicoil is a Calgary-based oil and gas services company operating in the Western Canadian Sedimentary Basin. The Corporation's business is conducted through two divisions: Well Servicing and Drilling. The Well Servicing division is comprised of 17 mastered coiled tubing service rigs and nine mobile free-standing conventional service rigs. The Drilling division is comprised of five hybrid drilling rigs. Further information about Technicoil can be found at www.technicoilcorp.com.

Cautionary Note Regarding Forward-Looking Information

This news release contains certain "forward-looking information" within the meaning of Canadian securities laws, which may include, but is not limited to, statements with respect to future events or future performance, the timing and prospects for Essential shareholder and Technicoil shareholder approval of the Combination, the implementation of the Combination, the integration of Essential and Technicoil following the Combination (including synergies), the management team of the combined entity, results for business lines and critical mass, access to capital and liquidity, ability to capitalize on acquisition and growth opportunities, and integration of the two entities and anticipated operating efficiencies.

These statements reflect the current views of Essential and Technicoil with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by Essential and Technicoil, are inherently subject to significant business, economic, political and social uncertainties and contingencies. Many factors, both known and unknown could cause the resulting entities actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained in the press release, and Essential and Technicoil have made assumptions based on or related to many of these factors. Such factors include, without limitation: 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 (particularly with respect to the Colombia peso, the U.S. dollar and the Canadian dollar); 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 to obtain government permits; risks associated with government regulations and environmental health and safety matters; differences between Canadian GAAP and IFRS; risks related to the technological and operating nature of the resulting entities business; changes in national or regional governments, legislation, regulation, permitting or taxation; political or economic

developments in Canada, the United States, Colombia or other countries where the resulting entity may carry on business; risks relating to the creditworthiness and financial condition of suppliers and other parties which will deal with; inadequate insurance or inability to obtain insurance to cover these risks and hazards; employee relations; relationships with and claims by local communities and First Nations; litigation; the success and timely completion of planned expansion and development programs; and other unforeseen conditions which could impact the use of equipment and services supplied by the resulting entity. Forward-looking information and statements are also based upon the assumption that none of the identified risk factors that could cause actual results to differ materially from the forward-looking information and statements will occur.

Although Essential and Technicoil have attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be anticipated, estimated, described or intended. There can be no assurance that the forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, prospective investors should not place undue reliance on forward-looking information. Other than as required by applicable securities law, neither Essential nor Technicoil assumes any obligation to update or revise such forward-looking information to reflect new events or circumstances.

For further information, please contact:

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