



PETROWEST ENERGY SERVICES TRUST ANNOUNCES \$7.7 MILLION RIGHTS OFFERING SHORT FORM PROSPECTUS

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

Calgary, Alberta, May 26 2010 - PetroWest Energy Services Trust (TSX: PRW.UN) (the "Trust") announced today that it has received a receipt for a final preliminary short form prospectus (the "Prospectus") for the offering and distribution of rights (the "Offering") to subscribe for up to 53,571,429 trust units of the Trust ("Trust Units") and up to 1,955,021 subordinated units of the Trust ("Subordinated Units") at a subscription price of \$0.14 (the "Subscription Price") per Trust Unit or Subordinated Unit for gross proceeds of up to \$7,773,703.

Pursuant to the terms of the Offering, each holder of Trust Units and Subordinated Units (collectively, the "Units") of record on June 7, 2010 (the "Record Date"), will be entitled to receive one right (a "Right") for each Trust Unit and one Right for each Subordinated Unit held as of the Record Date. For every Right held, a holder of Trust Units will be entitled to subscribe for 1.685362 Trust Units per Right, such that a holder of Trust Units may exercise 0.593344 Rights to purchase one Trust Unit for the Subscription Price and for every Right held, the holder of Subordinated Units will be entitled to subscribe for 1.685363 Subordinated Units per Right, such that a Holder of Subordinated Units may exercise 0.593344 Rights to purchase one Subordinated Unit for the Subscription Price (the right to subscribe for Trust Units or Subordinated Units is referred to as the "Basic Subscription Privilege").

The Offering includes an additional subscription privilege (the "Additional Subscription Privilege") for the holders of Trust Units only. Pursuant to the Additional Subscription Privilege, holders of Trust Units who have exercised their Rights to subscribe for Trust Units in full under the Basic Subscription Privilege are entitled to subscribe for additional Trust Units, if available. Availability of such additional subscriptions will be determined based on the number of Trust Units not otherwise subscribed for on the initial exercise of Rights under the Basic Subscription Privilege.

In connection with the Offering, the Trust has also entered into a stand-by purchase agreement (the "Stand-by Agreement") with PetroCorp Group Inc. and certain individuals, some of whom are managers of various operational divisions of the Trust (collectively, the "Stand-by Purchasers"). Pursuant to the Stand-by Agreement, the Stand-by Purchasers have agreed to purchase up to \$7,500,000 of Trust Units which are not otherwise subscribed for under the Offering. The Stand-by Agreement is subject to certain terms and conditions; the full text of the agreement is available on SEDAR at www.sedar.com.

Also in connection with the Offering, the Trust has entered into a dealer manager agreement with Mackie Research Capital Corporation (the "Dealer Manager") pursuant to which the Dealer Manager shall act as the dealer manager to use commercially reasonable efforts to solicit the exercise of Rights for subscriptions for the Units.

The Rights has received conditional approval to list the Rights to purchase Trust Units on the Toronto Stock Exchange ("TSX") under the symbol "PRW.RT". Trading of the Rights to purchase Trust Units will terminate on 12:00 noon (Calgary time) on June 28, 2010, at which time the rights will be halted. For greater certainty, Holders are advised that neither the Rights to subscribe for Subordinated Units nor the Subordinated Units issuable upon exercise of such Rights will be listed for trading on the TSX.

All Rights which are not exercised by 5:00 p.m. (Calgary time) on June 28, 2010, will be void and have no value.

The closing of the Offering is expected to occur on June 29, 2010 and is subject to customary closing conditions and the receipt of necessary regulatory approvals, including the approval of the TSX. The Trust Units issued from the rights offering are expected to commence trading on the TSX at the open of business on the closing date under the symbol "PRW.UN".

The Trust intends to use the entire net proceeds of the Offering to fund its working capital requirements and to fund its daily operations, primarily fuel, salaries and operating lease payments, for approximately two to three months from the date hereof, until the Trust begins to collect the receivables the Trust is currently generating.

The Prospectus is available electronically on SEDAR at www.sedar.com. Furthermore, copies of the Prospectus and documents incorporated by reference may be obtained on request, without charge, from the Chief Financial Officer of the Trust at 1020, 407 2nd Street SW, Calgary, Alberta T2P 2Y3, Telephone: (403) 237-0881. The Trust has engaged Valiant Trust Company ("Valiant") as the subscription agent with respect to the rights offering. Questions and requests for assistance relating to the rights offering should be directed to Valiant at 1-866-313-1872.

FORWARD LOOKING INFORMATION

This news release contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are identified by their use of terms and phrases such as "anticipate," "achievable," "believe," "expect," "estimate," "plan," "intend," "project," "may," "should", "could", "predict", "may," "will," or similar words suggesting future outcomes or language suggesting an outlook. Forward-looking statements and information are based on Petrowest's current beliefs as well as assumptions made by and information currently available to Petrowest concerning anticipated business performance. Although management of Petrowest considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Forward-looking statements are subject to many external variables that are beyond Petrowest's control, such as fluctuating prices for crude oil and natural gas, changes in drilling activity, and general local and global economic, political, business and weather conditions. In particular, forward-looking statements include, but are not limited to, the use of proceeds received in connection with the Offering. If any of these, or other uncertainties, materialize the actual results of Petrowest may vary materially from those expected.

For further information, please contact Ralph Hesje, President and CEO, or Lloyd A. Wiggins, Chief Financial Officer, at (403) 237-0881 or info@petro-west.com.