

**CENTRAL ALBERTA WELL SERVICES ANNOUNCES
ACQUISITION OF SERVICE RIG DIVISION**

CALGARY, ALBERTA. July 3, 2008 – Central Alberta Well Services Corp. ("CWC" or the "Company") is pleased to announce that it has acquired all of the assets and personnel of a service rig division of an Alberta based drilling company. The transaction has an effective date of June 30, 2008 and is subject to the final approval of the TSX Venture Exchange.

The acquisition adds one 1,500 metre and two 4,000 metre service rigs and related equipment to CWC's fleet of 38 service rigs. Upon completion of certain equipment enhancements and technology upgrades, the rigs will be comparable to CWC's current equipment and are expected to enjoy utilization consistent with CWC's above industry standard performance. The transaction was funded by internal cash flow.

CWC is also pleased to announce that Fredrick (Rick) Dawson has joined the CWC management team as Vice President, Business Development. Mr. Dawson has 36 years of oilfield service and marketing experience. He spent 20 years with CenAlta Well Servicing, the largest privately owned service rig company in Canada and was the company's President at the time of its sale to Precision Drilling. Mr. Dawson spent eight years at Precision Drilling as the Vice President of Sales for the Well Servicing division. He holds an Economics Degree from the University of Minnesota.

Darryl Wilson, President and CEO of CWC stated, "We are pleased to be expanding our fleet and welcome the management and employees who have joined us with this acquisition. The added rigs will allow CWC to meet increasing demands for our service equipment in the third and fourth quarters of 2008 and the first quarter of 2009. In addition, the acquisition will assist in the expansion plans of the Company into northern B.C. and southeast Saskatchewan."

About Central Alberta Well Services

Central Alberta Well Services is headquartered in Red Deer, Alberta, with additional operating centres in eastern and northern Alberta and a business office in Calgary. The Company provides oilfield services, including well servicing, coil tubing, snubbing, nitrogen, well testing and oilfield equipment rentals to oil and gas companies operating in the Western Canadian Sedimentary Basin.

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The TSXV has neither approved nor disapproved the contents of this news release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

Certain statements contained in this press release, including statements which may contain such words as "could", "should", "believe", "expect", "will", and similar expressions and statements relating to matters that are not historical facts are forward-looking statements, including, but not limited to, statements as to: future capital expenditures, including the amount and nature thereof; business strategy; expansion and growth of the Company's business and operations; and other matters. Management has made certain assumptions and analyses which reflect their experiences and knowledge in the industry. These assumptions and analyses are believed to be accurate and truthful at the time but the company can not assure readers that actual results will be consistent with these forward-looking statements. However, whether actual results, performance, or achievements will conform to the Company's expectations and predictions is subject to known and unknown risks and uncertainties which could cause actual results to differ materially from the Company's expectations. All forward-looking statements made in the press release are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected outcomes to, or effects on, the Company or its business operations. The Company does not intend, and does not assume any obligation to update these forward-looking statements. Any forward-looking statements made previously may be inaccurate now.

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