

**CENTRAL ALBERTA WELL SERVICES RELEASES
2007 YEAR END RESULTS**

CALGARY, ALBERTA, March 28, 2008 – Central Alberta Well Services Corp. (“CWC” or the “Company”) is pleased to report its fourth quarter and 2007 year end results. For the three months ending December 31, 2007, the Company generated \$12.6 million in revenue and a loss of \$1.5 million before tax compared to 2006 revenues of \$13.9 million and a loss of \$11.9 million before tax, after a goodwill impairment write-down in 2006. The following are the highlights for the quarter and year compared to the fourth quarter and year ended 2006.

	Three months ended		Twelve months ended	
	December 31, 2007	December 31, 2006	December 31, 2007	December 31, 2006
Revenues	\$ 12,574,392	\$ 13,941,627	\$ 47,350,780	\$ 39,797,325
Operating costs	8,627,205	8,899,058	31,654,965	24,216,495
	<u>3,947,187</u>	<u>5,042,569</u>	<u>15,695,815</u>	<u>15,580,830</u>
	31.4%	36.2%	33.1%	39.2%
General and administrative expenses	1,901,413	1,808,998	6,788,890	5,489,138
Bad debt	-	195,917	-	195,917
EBITDAS ⁽¹⁾	2,045,774	3,037,654	8,906,925	9,895,775
EBITDAS per share ⁽¹⁾				
Basic and diluted	0.09	0.32	0.40	1.03
Stock based compensation	70,463	270,793	1,327,580	1,536,800
Interest	866,051	1,104,121	5,374,958	2,645,780
(Gain)/Loss on Disposal	6,440	-	-	-
Impairment of Goodwill	-	10,907,667	-	10,907,667
Depreciation and amortization	2,642,953	2,673,315	9,588,335	7,273,309
Net income (loss) before tax	<u>(1,540,131)</u>	<u>(11,918,242)</u>	<u>(7,383,948)</u>	<u>(12,467,781)</u>
Cash from operations	3,433,191	(3,816,467)	8,649,905	357,417
Less: Changes in non-cash working capital	2,063,365	(6,301,545)	3,977,395	(7,358,909)
Funds from operations ⁽²⁾	<u>1,369,826</u>	<u>2,485,078</u>	<u>4,672,510</u>	<u>7,716,326</u>
Funds from operations per share ⁽²⁾	\$ 0.06	\$ 0.26	\$ 0.21	\$ 0.80
Basic and diluted				
Income (loss) per share				
Basic and diluted	\$0.00	(\$1.17)	(\$0.24)	(\$1.25)
Purchase of property and equipment	\$ 12,154,205	\$ 5,152,624	\$ 37,051,821	\$ 40,967,537

⁽¹⁾ EBITDAS is calculated from the statement of loss as revenue less operating costs and general and administrative expenses, exclusive of stock based compensation costs, and is used to assist management and investors in assessing the Company's ability to generate cash from operations. EBITDAS is a non-GAAP measure and does not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures provided by other companies. Number of shares outstanding is post consolidation of common shares described in note 13 of the financial statements.

⁽²⁾ Funds from operations is defined as cash from operating activities before changes in non-cash working capital. Funds from operations and funds from operations per share are measures that provide investors additional information regarding the Company's liquidity and its ability to generate funds to finance its operations. Funds from operations and Funds from operations per share do not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures provided by other companies. Number of shares outstanding is post consolidation of common shares described in note 13 of the financial statements.

Utilization for quarter four and the year for Well Servicing was 59% (12,687 hours) and 59% (44,339 hours), respectively. Utilization for the Other Oilfield Services segment in quarter four and for the year was 32% and 36%, respectively. Utilizations in the Other Oilfield Services segment are based on the number of jobs performed in the period.

Through 2007, the Company continued to add service rigs and related equipment to the fleet through fabrication of new equipment. It was anticipated that the final build program would finish at the end of the fourth quarter or early into the first quarter of 2008. The Company took possession of four service rigs in quarter four. Two more service rigs were delivered in early January and the final rig of the build program is anticipated to be completed in the middle of March, 2008.

EBITDAS for the quarter ending December 31, 2007 is \$2.0 million compared to \$3.0 million in the same period of 2006. The decrease is a result of slower start up in the fourth quarter than anticipated and the strong fourth quarter of 2006.

The following table sets out comparative financial information for the reporting segments.

Well Servicing	Three months ended December 31		Twelve Months ended December 31	
	2007	2006	2007	2006
Revenues	\$ 8,854,701	\$ 7,984,635	\$ 30,229,203	\$ 23,257,108
Income (loss) before income taxes	758,303	846,780	3,251,101	3,450,868
EBITDAS ⁽¹⁾	2,502,770	2,215,713	9,259,981	8,077,327

Other Oilfield Services	Three months ended December 31		Twelve Months ended December 31	
	2007	2006	2007	2006
Revenues	3,719,692	5,956,992	17,121,577	16,540,217
Income before income taxes	(631,899)	(10,014,387)	(1,219,178)	(8,710,495)
EBITDAS ⁽¹⁾	209,959	1,088,426	2,141,262	3,695,404

WELL SERVICING

The Well Servicing Segment generated revenues of \$8.9 million in the fourth quarter compared to \$8.0 million in the comparative period in 2006. For the full year revenue in this segment was \$30.2 million compared to \$23.3 million in 2006. EBITDAS remained constant at 28% of revenue for quarter four in both 2007 and 2006. For the year ended 2007 EBITDAS dropped to 31% from 35% of revenue in 2006. This decrease is primarily due to the extended spring break up and increased pricing pressures during 2007.

The Company added four additional service rigs in quarter four. For the full year of 2007 the Company added eight service rigs. The Company had five service rigs still under construction at the end of the year which will be received through the first quarter of 2008.

OTHER OILFIELD SERVICES

Other Oilfield Services produced revenues of \$3.7 million in the fourth quarter of 2007 compared to \$6.0 million in the comparative period of 2006. For the full year, 2007 revenue was \$17.1 million compared to \$16.5 million in 2006. This segment is comprised of nitrogen delivery and pumping, snubbing, well testing and rentals.

EBITDAS as a percentage of revenue decreased to 5.6% in the fourth quarter of 2007 compared to 12.5% in 2006. For the full year 2007, EBITDAS was 13% of revenue compared to 22% in 2006. The decrease is directly related to the decreased drilling activity in the Western Canadian Sedimentary Basin as this segment services drilling of wells more than work-over of existing wells.

SELECTED FINANCIAL INFORMATION

For the quarter ended	Q4 2007	Q3 2007	Q2 2007	Q1 2007
Working capital (deficiency)	\$ 8,230,532	\$ 10,766,402	\$ 9,679,652	\$ 11,588,974
Working capital (deficiency) - net of bridge loan and restricted cash	7,815,532	10,351,402	9,264,652	11,173,974
Long-term debt	29,453,660	20,374,723	15,498,793	58,134,623
Shareholders' equity	80,457,730	82,032,188	82,550,545	37,148,201
Long-term debt to equity	0.37	0.25	0.19	1.56

For the quarter ended	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Working capital (deficiency)	(27,256,935)	(23,307,384)	(17,519,991)	(194,130)
Working capital (deficiency) - net of bridge loan and restricted cash	7,330,725	6,120,890	3,074,368	(194,130)
Long-term debt	16,523,834	16,937,611	17,182,610	14,040,639
Shareholders' equity	34,626,065	45,578,780	45,300,850	45,628,496
Long-term debt to equity	0.48	0.37	0.38	0.31

Working capital at the end of 2007 was \$8.2 million net of restricted cash, a decrease of \$2.5 million from September 30, 2007. The Company maintained its strong working capital position throughout 2007.

As at December 31, 2007, the Company had 21,733,730 Class A Common Shares issued and outstanding and 6,153,531 Class B Common Shares outstanding. On January 22, 2008, an additional 250,000 Class A Common Shares were converted to Class B Common Shares by a shareholder. Each Class B Common Share is convertible into a Class A Common Share upon certain circumstances by the holder of the Class B Common Share.

OUTLOOK

The Company has successfully implemented its business plan of becoming a full energy service provider built around its core division of well servicing.

Subsequent to year end, the Company completed the acquisition of nine additional service rigs and an operation base in Brooks, Alberta for cash consideration of \$11.3 million. The Company was able to retain all employees of the division and has made good progress to integrate the operations of the division with the Company.

The Company anticipates a rise in activity levels going into the winter season of 2008 and the beginning of 2009. In order to meet the customers' needs, the Company will continue to evaluate accretive acquisitions in order to increase its service rig fleet. With the increase in the well servicing capabilities, the Company also anticipates a growing demand for the other oilfield services as marketing of the combined services continues.

2007 INTERIM FINANCIAL STATEMENTS

Attached to this release are the Company's Financial Statements for the year ended December 31, 2007. These Audited Financial Statements should be read in conjunction with the Audited Financial Statements and the Management's Discussion and Analysis as well as the Company's Audited Consolidated Financial Statements and Management Discussion and Analysis for the year ended December 31, 2006, all of which are filed on SEDAR at www.SEDAR.com.

BALANCE SHEETS
Central Alberta Well Services Corp.
For the years ended December 31, 2007 and 2006

	2007	2006
ASSETS		
Current assets		
Cash	\$ 1,870,034	\$ 1,688,926
Restricted cash	415,000	415,000
Accounts receivable	10,868,117	13,433,591
Shareholder loans	128,470	-
Inventory and work in progress	1,676,610	1,729,040
Prepaid expenses and deposits	252,028	270,344
Income tax receivable	115,736	641,663
	15,325,995	18,178,564
Property and equipment	98,497,905	70,524,885
Shareholder loans	70,625	118,000
Deferred financing costs	-	803,194
Intangible assets	4,570,792	5,173,768
	\$ 118,465,317	\$ 94,798,411
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 7,095,463	\$ 6,079,557
Short-term debt	-	35,000,000
Shareholder loans	-	76,855
Current portion of long-term debt	-	4,279,087
	7,095,463	45,435,499
Future income taxes	-	2,492,100
Long-term debt	29,453,660	12,244,747
	36,549,123	60,172,346
SHAREHOLDERS' EQUITY		
Share capital	80,710,016	47,661,284
Contributed surplus	4,135,569	2,062,738
Warrants	2,412,121	-
Deficit	(5,341,512)	(15,097,957)
	81,916,194	34,626,065
Commitments and contingencies		
Subsequent events		
	\$ 118,465,317	\$ 94,798,411

See accompanying notes to financial statements.

STATEMENTS OF LOSS, COMPREHENSIVE LOSS AND DEFICIT

Central Alberta Well Services Corp.

For the years ended December 31, 2007 and 2006

	2007	2006
REVENUE	\$ 47,350,780	\$ 39,797,325
EXPENSES		
Operating expenses	31,654,965	24,216,495
General and administrative	6,788,890	5,685,055
Stock based compensation	1,327,580	1,536,800
Interest	5,374,958	2,645,780
Impairment of goodwill	-	10,907,667
Depreciation	8,985,359	6,821,077
Amortization	602,976	452,232
	<u>54,734,728</u>	<u>52,265,106</u>
NET LOSS BEFORE TAX	(7,383,948)	(12,467,781)
INCOME TAXES		
Current (reduction)	197,378	(456,633)
Future (recovery)	(2,239,814)	(28,900)
	<u>(2,042,436)</u>	<u>(485,533)</u>
NET LOSS AND COMPREHENSIVE LOSS	(5,341,512)	(11,982,248)
DEFICIT, BEGINNING OF YEAR	(15,097,957)	(3,115,709)
APPLICATION OF PRIOR YEAR DEFICIT TO SHARE CAPITAL	15,097,957	-
DEFICIT, END OF YEAR	<u>\$ (5,341,512)</u>	<u>\$ (15,097,957)</u>
NET LOSS PER SHARE		
Basic and diluted	\$ (0.24)	\$ (1.25)

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

Central Alberta Well Services Corp.

For the years ended December 31, 2007 and 2006

	2007	2006
CASH PROVIDED BY (USED IN):		
OPERATING:		
Net income/(loss)	\$ (5,341,512)	\$ (11,982,248)
Items not affecting cash:		
Stock based compensation	1,327,580	1,536,800
Interest on shareholder loans	(9,915)	(14,849)
Accretion of debt financing costs and warrants	1,364,902	-
Loss (gain) on disposal of assets	(17,066)	24,547
Future income tax (reduction)	(2,239,814)	(28,900)
Impairment of goodwill	-	10,907,667
Depreciation and amortization	9,588,335	7,273,309
	4,672,510	7,716,326
Change in non-cash working capital	3,977,395	(7,358,909)
	8,649,905	357,417
INVESTING:		
Business acquisitions - net of cash	-	(4,285,569)
Purchase of property and equipment	(37,051,821)	(40,967,537)
Proceeds on sale of assets	110,508	23,004
Restricted cash	-	(415,000)
	(36,941,313)	(45,645,102)
FINANCING:		
Issue of long-term debt	76,200,000	8,050,000
Retirement of long-term debt	(59,499,334)	(1,695,375)
Issue of short-term debt	-	35,000,000
Restructure of short-term debt	(35,000,000)	-
Transaction costs	(1,920,426)	(1,762,420)
Issue of common shares	50,000,000	5,242,282
Repurchase of common shares	(529,911)	-
Share issue costs	(830,435)	(277,204)
Increase (repayment) of shareholder loans	52,622	(225,499)
	28,472,516	44,331,784
INCREASE (DECREASE) IN CASH	181,108	(955,901)
CASH, BEGINNING OF YEAR	1,688,926	2,644,827
CASH, END OF YEAR	\$ 1,870,034	\$ 1,688,926
Supplementary Information:		
Interest paid	\$ 3,485,884	\$ 2,716,637
Payout penalties paid on replacement of old loans	608,071	-
Interest received	134,667	109,963
Income taxes paid	48,824	1,229,163
Income taxes refunded	418,437	5,327

See accompanying notes to financial statements.

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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