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**Friday August 14, 2009**

**DEEPWELL ANNOUNCES SECOND QUARTER 2009 RESULTS**

CALGARY - Deepwell Energy Services Trust (TSX: DWL) ("Deepwell" or the "Trust") announces its results for the three and six months ended June 30, 2009. The Trust had revenues of \$2.2 million and \$5.4 million respectively (2008 - \$4.7 million and \$9.9 million), a decrease of 55% and 45% from the comparative periods in 2008. The Trust generated (\$40,425) and \$150,096 in EBITDA, or (\$0.01) and \$0.02 per unit, and reported a net loss of \$1.7 million (\$0.24 per unit) and \$2.7 million (\$0.37) for the three and six months ended June 30, 2009. In the comparative periods in 2008, EBITDA was \$1.2 million or \$0.17 per unit and \$3.1 million or \$0.43 per unit with a net loss of (\$0.3) million or (\$0.04 per unit) and net income of \$0.4 million or \$0.06 per unit.

**Financial and Operating Summary**

The following table below provides a summary of Deepwell's financial and operating results for the three and six months ended June 30, 2009.

	<b>For the three months ended</b>		
	<b>June 30, 2009</b>	<b>June 30, 2008</b>	<b>%</b>
	(\$000's)	(\$000's)	Change
Revenue	2,150	4,739	(55%)
Operating Expenses	1,717	2,853	(40%)
<b>Operating Margin</b>	<b>433</b>	<b>1,886</b>	<b>(77%)</b>
Operating Margin %	19%	40%	
General and administrative	474	688	(31%)
<b>EBITDA</b>	<b>(40)</b>	<b>1,198</b>	<b>(103%)</b>
Per Unit, Basic & Diluted	(0.01)	0.17	
<b>Net (Loss) Income</b>	<b>(1,729)</b>	<b>(271)</b>	
Per Unit, Basic & Diluted	(0.24)	(0.04)	

	<b>For the six months ended</b>		
	<b>June 30, 2009</b>	<b>June 30, 2008</b>	<b>%</b>
	(\$000's)	(\$000's)	Change
Revenue	5,416	9,866	(44%)
Operating Expenses	4,030	5,581	(26%)
<b>Operating Margin</b>	<b>1,386</b>	<b>4,285</b>	<b>(68%)</b>
Operating Margin %	25%	43%	
General and administrative	1,236	1,166	6%
<b>EBITDA</b>	<b>150</b>	<b>3,120</b>	<b>(95%)</b>
Per Unit, Basic & Diluted	0.02	0.43	
<b>Net (Loss) Income</b>	<b>(2,678)</b>	<b>401</b>	
Per Unit, Basic & Diluted	(0.37)	0.06	

Deepwell continues to experience a tentative business environment. With oil and gas activities down throughout the quarter and a generally weak economy, the Trust's focus has been on improving operational efficiencies, controlling costs and cash preservation.

The previously announced re-completion at Grande Cache continues to perform well, providing injection capabilities which are almost double its previous rates. Deepwell received approval from the ERCB to increase the wellhead pressure at the Grande Cache facility from 9.7 Mpa to 19 Mpa. With minor infrastructure changes, Deepwell expects to see further meaningful increases in the injection rates. Historically, the facility had been challenged to meet market demands due to modest injection rates. The Grande Cache facility is now well positioned to provide exceptional results should the market demand return to historic activity levels.

Consistent with previously disclosed objectives, Deepwell has implemented a full time sales force to provide proper exposure of its facilities within the markets served. The preliminary intelligence gathered has exposed several opportunities to enhance customer service. Deepwell will continue to focus on these important customer relationships with the objective of capturing increased market share and margins.

Subsequent to the end of the second quarter, Palko Energy Ltd. received regulatory approval for processing waste at its Midale facility. The construction for handling waste was largely completed during the second quarter and the new service has already commenced generating revenue; but minor construction is still required to accommodate all oil field waste streams. This significant addition to the facility's service offering continues to help Palko build its brand and expand its excellent level of customer service.

The Trust is optimistic that the measures it has put in place, and continues to put in place, will strengthen its bottom line. However, such measures may not have an immediate impact, therefore are projected to be reflected in the results for the latter part of the year.

A complete copy of the unaudited interim consolidated financial statements and Management's Discussion and Analysis for the three and six months ended June 30, 2009 may be found on SEDAR under the Trust's profile at [www.sedar.com](http://www.sedar.com).

Deepwell is a Calgary, Alberta-based income trust focused exclusively on providing waste treatment and disposal services to the oil and natural gas industry in western Canada.

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*Additional information about the Trust is available at [www.sedar.com](http://www.sedar.com) and on the Trust's website at [www.deepwellenergy.com](http://www.deepwellenergy.com)*

*Certain statements in this press release constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Trust or Deepwell LP, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors, including those discussed above, could cause actual results to differ materially from the results discussed in the forward-looking statements. Deepwell's forward-looking statements are expressly qualified in their entirety by this cautionary statement. Unless otherwise required by applicable securities laws, Deepwell does not intend nor does it undertake any obligation to update or review any forward-looking statements to reflect subsequent information, events, results or circumstances or otherwise.*

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