



**For Immediate Release**  
**SkyWest Energy Corp. – TSX: SKW**

**December 20, 2010**

## **SkyWest Energy Corp. Production Reaches >2,000 Boepd, Exceeding 2010 Guidance and Increases Cardium Land Position**

### **Operations Update – Current Production**

SkyWest has drilled 9 gross wells (7 net) to date since August of 2010 in the Willesden Green, Pembina, Carrot Creek and the Deep Basin areas of Alberta. Six of the nine wells have now been completed and five (5) of the nine wells are currently on production. SkyWest is pleased to announce that the Company will exceed its 2010 exit rate guidance of 1400-1600 boepd as SkyWest's current production is greater than 2,000 boepd. Management recognizes that:

- A significant portion of the current production is flush production and we do anticipate natural declines
- Production from the additional four wells is expected to help offset the initial declines of the current production.

### **Additional Cardium Lands**

The Company has entered into two new farm-in transactions to acquire an additional 8.5 gross (5.1 net) Cardium sections. The Company has also acquired an additional 4.25 Cardium sections at recent Crown land sales. As a result, the Company has added an additional 35 net Cardium drilling locations. The Company will now hold approximately 40 net sections of Cardium acreage.

### **Information Regarding SkyWest**

SkyWest Energy Corp. is a public oil and gas exploration and development company, located in Calgary, Alberta with operations in Alberta. SkyWest currently trades on the TSX Venture Exchange (TSXV) under the Symbol "SKW".

### **Further Information**

For more information, please contact:

**Lawrence Urichuk, President & CEO**

or **Joel MacLeod, VP Finance and CFO**

Disclosure provided herein in respect of barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

SkyWest Energy Corp..  
Suite 480, 435 – 4<sup>th</sup> Ave S.W.  
Calgary, Alberta T2P 3A8  
Main Phone (403) 265-0071  
Fax (403) 265-0073

Statements herein that are not historical facts may be considered forward looking statements including management's assessment of future plans and operations, growth expectations within the Corporation, expected initial production rates from certain new wells, timing of completion of wells and of production additions, expected size of various plays, construction or expansion of facilities and the timing thereof and expected costs and the effects thereof, drilling plans and the effects thereof. These forward-looking statements sometimes include words to the effect that management believes or expects a stated condition or result. All estimates and statements that describe the Corporation's objectives, goals or future plans are forward-looking statements. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties including, without limitation, risks associated with the Acquisition, oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, failure to realize the anticipated benefits of acquisitions, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, SkyWest's actual results may differ materially from those expressed in, or implied by, the forward-looking statements.

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although SkyWest believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because SkyWest can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the ability of SkyWest to obtain equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects which SkyWest has an interest in to operate the field in a safe, efficient and effective manner; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development or exploration; the timing and costs of pipeline, storage and facility construction and expansion; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the

jurisdictions in which SkyWest operates; and the ability of SkyWest to successfully market its oil and natural gas products.

Readers are cautioned that the foregoing list of factors and assumptions is not exhaustive. Additional information on these and other factors that could effect SkyWest's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and SkyWest does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.