



NEWS RELEASE

SAXON ENERGY SERVICES INC.

SAXON ENTERS INTO ARRANGEMENT AGREEMENT

Calgary, Alberta, Canada – May 5, 2008

FOR IMMEDIATE RELEASE

Saxon Energy Services Inc. ("Saxon") (TSX: SES) announces that on May 4, 2008 it entered into an arrangement agreement (the "Arrangement Agreement") with Sword Canada Acquisition Corporation ("Sword"), an acquisition company indirectly jointly owned by Schlumberger Limited ("Schlumberger") and investment funds affiliated with First Reserve Corporation ("First Reserve") in which certain members of Saxon's current management will have an equity position. Pursuant to the Arrangement Agreement, Sword will acquire all of the issued and outstanding common shares of Saxon (the "Saxon Shares") (other than certain shares held by participating members of management) by way of a plan of arrangement under the Business Corporations Act (Alberta) for Cdn\$7.00 per Saxon Share (the "Arrangement"). Saxon had previously announced that it was in exclusive discussions with Schlumberger and First Reserve.

The negotiation of the transaction was supervised by an independent special committee (the "Special Committee") of the Board of Directors of Saxon (the "Saxon Board"). The Arrangement has been unanimously approved by the Saxon Board based on the unanimous recommendation of the Special Committee and the Saxon Board unanimously recommends that shareholders vote in favour of the transaction. Thomas Weisel Partners Canada Inc., the exclusive financial advisor to Saxon, has provided the Saxon Board with its opinion that, as of the date hereof, the consideration to be received by Saxon's shareholders pursuant to the proposed Arrangement is fair from a financial point of view. All of the members of the Saxon Board and Saxon's senior officers and certain related shareholders, who collectively own approximately 14 percent of the outstanding Saxon Shares, have agreed to vote their shares in favour of the Arrangement.

The Arrangement is subject to a number of conditions including, but not limited to, the approval of at least 66 2/3% of the votes cast in person or by proxy at a special meeting of Saxon's shareholders, as well as court and regulatory approvals and other customary conditions. The special meeting is expected to be held in mid-July.

Saxon has agreed that it will not solicit or initiate any discussions concerning the pursuit of any other acquisition proposal. Saxon has also agreed to pay a termination fee in an amount equal to \$17.3 million to Sword in certain circumstances. In addition, Sword has the right to match any competing proposal for Saxon in the event such a proposal is made.

Schlumberger is the world's leading oilfield service company. In 2007 Schlumberger's revenue was U.S. \$23.28 billion. Saxon and Schlumberger are partners in drilling joint ventures in Mexico and Columbia that have resulted in Schlumberger being among Saxon's largest customers. Saxon estimates that approximately 16% of Saxon's 2008 revenues will be associated with these joint ventures.

First Reserve is one of the world's leading private equity firms focusing on the energy industry.

Saxon is an emerging international oilfield services company that operates an established oil and gas drilling and workover business focusing on providing these services to major and intermediate oil and gas companies in North and South America.

Forward-Looking Information

Certain information contained in this press release, including information and statements which may contain words such as "estimates", "will" and similar expressions and statements relating to matters that are not historical facts, are forward-looking information including, but not limited to, information as to the portion of expected 2008 Corporation's revenue attributable to joint venture business involving Schlumberger Limited, future growth based on continuing relationship with Schlumberger Limited and the completion of the acquisition of all of the shares of the Corporation by Sword Canada Acquisition Corporation.

This forward-looking information is based on certain material factors, assumptions and analyses made by the Corporation in light of its experience and its perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate in the circumstances. In particular, our assessment as to the 2008 and future revenue and growth attributable to joint ventures with affiliates of Schlumberger is based upon rigs presently under contract, the current demand for the Corporation's services plus the general oil and gas services industry projection that the current demand should continue through 2008 in the areas where the Corporation operates, and discussions with Schlumberger regarding joint venture business. However, whether actual results, performance or achievements will conform with the Corporation's conclusions, forecasts, projections, expectations and predictions expressed or implied by the forward-looking information in this press release is subject to known and unknown risks and uncertainties which could cause actual results to differ materially from the Corporation's conclusions, forecasts, projections, expectations and predictions expressed or implied by the forward-looking information in this press release, including: the transaction to acquire all of the shares of the Corporation by Sword Canada Acquisition Corporation may not close for various reasons including, on account of conditions of closing not being fulfilled, a competing bid or the transaction may not be approved by the shareholders of the Corporation; fluctuations in the price and demand of oil and gas; fluctuations in the level of oil and gas exploration and development activities; fluctuations in the demand for the Corporation's services; the ability of the Corporation to raise capital; the existence of credit risk inherent within the international oil and gas services business; competitors; technological changes and developments in the oil and gas industry; the effects of unpredictable weather conditions on operations and facilities; the existence of operating risks inherent in the Corporation's services; identifying and acquiring suitable acquisition targets on reasonable terms and successful integration of such targets when acquired; delays in developing and constructing rigs and equipment for the Corporation including difficulties in sourcing the services and the raw materials and parts at reasonable prices for such rigs and equipment; political and labour unrest and economic conditions in countries in which the Corporation does business; foreign currency exchange rate fluctuations; general economic, market or business conditions, including stock market volatility; changes in laws or regulations, including taxation and environmental regulations; the lack of availability of qualified personnel or management; other unforeseen conditions which could impact on the use of services supplied by the Corporation and those risks and uncertainties described in the Corporation's continuous disclosure filings, including those referred to in the Corporation's Management's Discussion and Analysis for the most recently completed financial year end and in the Corporation's most recent Annual Information Form, all of which may be found on SEDAR at www.sedar.com. If any of the above risks or uncertainties materialize, or if the material factors, assumptions and analyses applied by the Corporation are incorrect, actual results may vary materially from those expected in the forward-looking information in this press release.

Consequently, all of the forward-looking information contained in this press release is qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Corporation expressed or implied by the forward-looking information in this press release will be realized or, even if substantially realized, that they will have the expected consequences to or effects on the Corporation or its business operations. The Corporation assumes no obligation, except as required by law, to update publicly any such forward-looking

information, whether as a result of new information, future events or otherwise. Readers should not place undue reliance on forward-looking information.