



**Arsenal Energy Inc.**

## **Arsenal Energy Inc. Releases Update on Bakken Wells**

**CALGARY, November 1, 2011** –Arsenal Energy Inc. (TSX: AEI) (PNK: AEYIF.PK)

Arsenal Energy Inc. (“Arsenal”) has completed drilling of the Gjoa Lynn well (59.3% WI) at Stanley, North Dakota. The well had excellent shows in the Bakken formation and has been cased. A multi-stage fracture stimulation has been scheduled for late November. The drilling rig has been released to drill a program for another operator but is scheduled to return to Arsenal to drill two more Bakken wells, being the Anthony Robert (80.3% WI) and Wade Morris (80.3%) starting in February 2012.

In Alberta, Arsenal is scheduled to drill two Glauconite horizontals at Princess and one Leduc horizontal at Edgerton in late November. Each, if successful, will set up multi well development programs.

Arsenal is a junior oil and gas company engaged in the exploration for, and development and production of, natural gas and oil reserves primarily in Alberta and North Dakota, U.S.A.

To receive company news releases via e-mail, please advise [info@arsenalenergy.com](mailto:info@arsenalenergy.com) and specify “Arsenal Press Releases” in the subject line.

### **Advisory**

Certain statements and information contained in this press release, including but not limited to management’s assessment of Arsenal’s future plans and operations, production, reserves, revenue, commodity prices, operating and administrative expenditures, funds from operations, capital expenditure programs and debt levels contain forward-looking statements. All statements other than statements of historical fact may be forward looking statements. These statements, by their nature, are subject to numerous risks and uncertainties, some of which are beyond Arsenal’s control including the effect of general economic conditions, industry conditions, changes in regulatory and taxation regimes, volatility of commodity prices, escalation of operating and capital costs, currency fluctuations, the availability of services, imprecision of reserve estimates, geological, technical, drilling and processing problems, environmental risks, weather, the lack of availability of qualified personnel or management, stock market volatility, the ability to access sufficient capital from internal and external sources and competition from other industry participants for, among other things, capital, services, acquisitions of reserves, undeveloped lands and skilled personnel that may cause actual results or events to differ materially from those anticipated in the forward looking statements. Such forward-looking statements, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated in the statements made and should not unduly be relied on. These statements speak only as of the date of this press release. Arsenal does not intend and does not assume any obligation to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Arsenal’s business is subject to various risks that are discussed in its filings on the System for Electronic Document Analysis and Retrieval (SEDAR).

For further information on Arsenal, please visit our website at [www.arsenalenergy.com](http://www.arsenalenergy.com), e-mail [info@arsenalenergy.com](mailto:info@arsenalenergy.com) or contact:

Tony van Winkoop, President and Chief Executive Officer of Arsenal at:  
Telephone: (403) 262-4854  
1900, 639-5th Avenue SW  
Calgary, AB  
T2P 0M9