



## Arsenal Energy Inc.

### Arsenal Energy Inc. Provides North Dakota Operational Update

**CALGARY, July 4, 2011** – In Q1 Arsenal Energy Inc. (“Arsenal”) (TSX: AEI) drilled and cased the Brenlee (80% WI) and the Amy Elizabeth (62% WI) Bakken wells in North Dakota. The two wells have been waiting on fracture stimulation equipment. Over the past weekend, frack equipment has been mobilized to the Brenlee well and operations should commence within the next few days. The Amy Elizabeth well has a tentative frack window scheduled for the middle of July. Results will be released when available.

Arsenal has started permitting three additional North Dakota Bakken operated drills, the Gjoa Lynn (50% WI), the Anthony Robert (73 % WI), and the Wade Morris (73% WI). It is anticipated that Arsenal will start drilling this 3 well program in October. In addition, Arsenal anticipates that 3 non operated North Dakota Bakken wells with average working interests of 18% will be drilled by yearend.

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. Arsenal’s common shares trade on the Toronto Stock Exchange under the symbol “AEI”.

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#### **Advisory**

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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:

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