

Reliable Energy's Production Reaches 950 BOPD, Provides Operations Update

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[Reliable Energy Ltd.](#) ("Reliable" or the "Company") (TSX VENTURE:REL) is pleased to provide the following operations update.

OPERATIONS UPDATE

Manitoba - Since commencement of operations in July 2011 following spring break-up, Reliable has drilled a total of nine of the ten horizontal wells planned for the second half of 2011, with the tenth well currently drilling ahead. As of the date of this release, Reliable has completed and placed on production six (4.5 net) horizontal wells with production currently at 950 bopd, up 342 bopd or 56% from June 30, 2011. The remaining four wells are expected to be completed and on production by mid December 2011. Detailed results of the drilling program are as follows:

At East Manson, Reliable drilled six (4.5 net) horizontal development wells with four (3.0 net) of these wells completed and placed on production. Two of the wells, 04-16 and 7-9-13-28W1, have been on production for more than 30 days and have average stabilized rates of 187 (140 net) bopd and 182 (137 net) bopd respectively. The two most recently completed wells at East Manson have been placed on production and are currently averaging 86 (65 net) bopd. The final two wells at East Manson are expected to be completed and placed on production within the next two weeks.

At South Kirkella, the Company drilled two (1.5 net) wells with the 15-23-11-29W1 well, on production September 28th, averaging 76 (57 net) bopd during clean-up and currently producing 86 (65 net) bopd while the second well at 1-13-11- 29W1 is awaiting completion operations.

At North Elkhorn, Reliable drilled one (0.75 net) confidential exploratory horizontal well and is currently drilling a second confidential exploratory horizontal well at Elkhorn, which is the tenth and final well in the drilling program. This well is expected to be finished by the end of October with completion scheduled for November, 2011.

In the last two months of the year Reliable will be involved in the drilling of four (0.75 net) non operated wells in Manitoba.

Murray Swanson, President & CEO commented that "we are extremely pleased with results obtained to date from our summer & fall drilling program and both East Manson and Kirkella are performing above expectations. East Manson will continue to be a focus for the Company in the near term while initial production rates to date at the 15-23 well in South Kirkella are better than expected and validates our decision to step out from our core area in section ten and provides us with confidence for our future drilling programs in the area. The Company is on target to meet its year-end numbers".

Water-flood Pilot Project

Earlier in 2011, Reliable had engaged an engineering firm to prepare a study over some of its Kirkella properties detailing the potential incremental oil recovery from a water-flood project. With the completion of this study, and the positive results obtained from it, Reliable is now ready to begin designing and planning its first water-flood pilot project.

OUTLOOK

Year-end guidance numbers for production and cash flow remain unchanged as follows:

Average production	720 bopd
Exit production	900 - 1,000 bopd
Cash flow	\$13.1 million

The Company will continue to evaluate year end guidance based on results from its final four wells and will provide revisions as necessary.

The Company believes that cash flow from operations and available bank facilities combined with prudent hedging practices will enable it to fund its current and future planned capital program.

ABOUT RELIABLE

Reliable Energy Ltd. is an Alberta based junior oil company with a strong exploration component that commenced operations in 2005. Reliable's activities are primarily focused in the Kirkella area situated on the Saskatchewan/Manitoba border where it holds over 90,000 net acres of undeveloped lands. Kirkella is a Bakken oil rich prospect area that possesses high operating margins and multiple formation potential. The Company has an inventory of approximately 450 net horizontal drilling locations identified in the Kirkella region. Reliable's second focus area is in Blaine County, Montana, where the Company holds almost 100,000 net undeveloped acres on an emerging Bakken oil play.

Reliable's goal is to become a low cost, value added growth company. The Company's strategy is to concentrate on exploration and development drilling activities in oil rich core areas. Reliable will continue to build on its highly prospective light oil land position in Manitoba/Saskatchewan and Montana and, through prudent development, add to its reserves and production base with the objective of providing sustained future growth and superior returns to shareholders.

Common shares of Reliable Energy Ltd. are listed for trading on the TSX Venture Exchange under the symbol REL.

ADVISORY:

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