



TSX VENTURE: TVE

**Tamarack Valley Energy Ltd. Provides Buck Lake 3-34 Production Update**

**Calgary, Alberta – March 26, 2012** – Tamarack Valley Energy Ltd. (“Tamarack” or the “Company”) is pleased to announce that the 3-34-46-6 W5M Cardium oil well (75% working interest) continues to materially outperform the adjacent horizontal wells at Buck Lake. Production per boe from Tamarack’s first horizontal well completed with a slick -water fracture stimulation is approximately 50% higher than the offsetting well at 4-34-46-6 W5M over similar time periods.

Tamarack completed its first Cardium slick water frac with an 18-stage stimulation at the 3-34 well in February, 2012 and it has averaged 551 boe/d (413 net) or 341 bbls/d (256 net) of oil and natural gas liquids and 1.26 mmcf/d (0.95 net) of natural gas over its first 30 days of production. At the end of 30 days the well is currently producing 579 boepd (434 net). The neighboring well at 4-34 was completed with a 16-stage oil based fracture stimulation in November, 2011. Early results support Tamarack’s assessment of the benefits of using slick water over frac oil for its Cardium horizontal stimulations.

	<b>Most Recent Buck Lake 3-34 (slick water system)*</b>		
	Oil & NGL’s (bbls/d)	Est. Gas Sales (mcf/d)	Boe/d
<u>Calendar day basis</u>			
First 15 day average**	419	1,250	627
First 30 day average	341	1,260	551
	<b>Neighboring Buck Lake 4-34 (oil based system)*</b>		
	Oil & NGL’s (bbls/d)	Est. Gas Sales (mcf/d)	Boe/d
<u>Calendar day basis</u>			
First 15 day average	333	980	496
First 30 day average	242	907	366

\* based on field estimates

\*\* as previously released

Tamarack believes that the additional fluid volumes and higher pumping rates were more effective at accessing the reservoir than previous oil fracs. Tamarack plans to utilize slick water as its frac fluid in subsequent Cardium wells at Buck Lake.

Tamarack is very encouraged by these results and also plans to utilize a slick-water completion system when drilling its Lochend 02-29-26-03 W5M (100% working interest) Cardium horizontal light oil well which it expects will spud in April.

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

#### **About Tamarack Valley Energy Ltd.**

Tamarack is an oil and gas company involved in the identification, evaluation and operation of resource plays in the western Canadian sedimentary basin. The Company uses a rigorous, proven modeling process to carefully manage risk and identify growth opportunities and has assets at Lochend, Garrington/Harmattan, Buck Lake, Foley Lake and Quaich areas in Alberta; southeast of Lloydminster in Saskatchewan; and at Wilder in northeast British Columbia.

#### **Unit Cost Calculation and Other Terminology**

*For the purpose of calculating unit costs, natural gas volumes have been converted to a barrel of oil equivalent ("boe") using six thousand cubic feet equal to one barrel unless otherwise stated. A boe conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms with Canadian Securities Regulators National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Boe's may be misleading, particularly if used in isolation. Finding and Development costs and netbacks have been calculated in the required manner under NI 51-101. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year.*

#### **Forward Looking Information**

*This press release contains certain forward-looking statements within the meaning of applicable securities laws, including statements relating to benefits of certain fracturing techniques, intentions for future drilling and completion techniques, expected drilling plans and asset mix, corporate netbacks and recycle ratios and operational activities and results. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intends", "equates", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information. The statements are based on assumptions relating to results during testing, the results of past operations and activities in the planned areas of drilling as well as information from consultants on processes, drilling and fracturing techniques.*

*Although management considers these assumptions to be reasonable based on information currently available to it, undue reliance should not be placed on the forward-looking statements because Tamarack can give no assurances that they may prove to be correct.*

*By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward-looking statements will not be achieved. These risks and uncertainties include, but are not limited to: risks associated with the oil and gas industry (e.g. operational risks in development, exploration and production; testing results not being sustained during*

*ongoing operations, delays or changes in plans with respect to exploration or development projects or capital expenditures; commodity prices, the uncertainty of estimates and projections relating to production and reserve estimates, cash generation, costs and expenses; health, safety, litigation and environmental risks and access to capital. Due to the nature of the oil and natural gas industry, drilling plans and operational activities may be delayed or modified to react to market conditions, results of past operations, regulatory approvals or availability of services causing results to be delayed.*

*The forward-looking statements contained in this news release are made as of the date hereof and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. The TSX has neither approved nor disapproved the contents of this press release.*

**For additional information, please contact:**

**Brian Schmidt**  
**President & CEO**  
**Tamarack Valley Energy Ltd.**  
**Phone: 403.263.4440**  
[www.tamarackvalley.ca](http://www.tamarackvalley.ca)

**Ron Hozjan**  
**VP Finance & CFO**  
**Tamarack Valley Energy Ltd.**  
**Phone: 403.263.4440**