

FOR IMMEDIATE RELEASE

November 12, 2008

**PRODUCTION ENHANCEMENT GROUP ANNOUNCES
EXPANSION OF DOMESTIC GEOGRAPHIC FOOTPRINT**

HOUSTON, TEXAS – Production Enhancement Group, Inc. (TSX: WIS) (“PEG” or the “Company”) today announced, as part of the Company’s expansion plans, a new Shreveport, Louisiana field office was opened. The Shreveport facility is centrally located in the North Louisiana, East Texas and Arkansas oil and natural gas production regions. Operations in this area will support the needs of a wider range of clients and create additional well intervention service opportunities as well as decrease our exposure to future impacts from hurricanes. This area has seen significant growth in drilling count and requires services that PEG can supply in coil tubing, slickline, nitrogen and pumping services.

“This geographic footprint step out, which has been very successful to date, expands our brand into a growth area with significant potential,” said Joseph P. Lahey, CEO of PEG. “This new area office will allow PEG to improve utilization by following our existing clients into their exploration and production activities, developing an expanded client base and reducing our exposure to hurricane risks. Taken together with our announcement on November 10, 2008 regarding our international expansion into the Middle East, these initiatives will help drive our enduring success.”

About Production Enhancement Group, Inc.

Production Enhancement Group, Inc., a Houston-based energy services company incorporated in Alberta, Canada, trades on the TSX under the symbol WIS. PEG’s wholly owned subsidiary, WISE® Well Intervention Services, Inc., (“WWIS”) has developed patented WISE multifunction coiled tubing technologies and markets a full range of coiled tubing, pressure pumping, nitrogen, and wireline services.

WISE® is a registered trademark of Production Enhancement Group, Inc.

Disclaimers

The TSX does not accept responsibility for the adequacy or accuracy of this release.

This release and PEG’s website referenced in this release may contain forward-looking information, including expectations of future components of revenue, cash flow and earnings. By their very nature, the preparation of such forward-looking information requires the Company to make assumptions, and involves inherent risks and uncertainties, both general and specific. There is significant risk that express or implied projections contained in such forward-looking information will not materialize or will be inaccurate. A number of factors could cause actual future results, conditions, actions or event to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking information. Such differences may be caused by factors, many of which are beyond PEG’s control, which include, but are not limited to, the level of

operations carried on by PEG's customers, oil and gas prices, weather conditions in offshore and land markets including natural disasters, availability of capital, access to current or future financing arrangements, manufacturing cycles of new equipment, the effects of competition in the markets in which PEG operates, difficulty in continuing to develop, produce and commercialize technologically advanced services, availability of human resources and PEG's success in anticipating and managing the foregoing risks. The preceding list is not comprehensive, and as such, investors and others who rely on these statements should consider the above factors as well as the uncertainties they represent and the risk they entail. The risks outlined above should not be construed as exhaustive. Investors are cautioned not to place undue reliance on any forward-looking information. PEG undertakes no obligation to update or revise any forward-looking information.

For further information, visit www.productionenhancement.com or contact:

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