BUCKING HORSE ENERGY

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BUCKING HORSE ENERGY INC.
PROVIDES PINEDALE OPERATIONAL UPDATE

Vancouver, British Columbia – Bucking Horse Energy Inc., (TSX: BUC), along with all wholly owned subsidiaries, (collectively, the "Company") is pleased to provide an update of its operations.

The Company recently announced additions to its management team (press release dated May 21, 2008), including the addition of Cliff Adams as CEO of the Company. The new management has been focused on developing a comprehensive action plan that will enable the Company to maximize the value of its asset base and shareholder value.

Cliff Adams, CEO, stated "The Company is currently in an exciting and advantageous transition period and we are keenly focused on advancing the Company's natural gas development program in the highly-prolific Pinedale Anticline. The Company already has a world-class, legacy asset base. Our key initiatives near term are simple – increase production and increase proved reserves."

Current Situation - Pinedale

- Net production - 8.5 MMcfepd
- Proved Reserves – 101 Bcfe as of December 31, 2007
- Probable Reserves – 60 Bcfe as of December 31, 2007
- 2000 – current proved reserve CAGR of 35%
- 2000 – current net production CAGR of 47%

Cliff Adams comments, "To date the management team has been extremely successful in advancing the Company with stellar growth rates in production and reserves. Our goal is to further increase the pace of development of the asset and fully realize its potential, including deeper formations, low quality sands and increasing the limits of the fairway."

Operational Update

Delineation Drilling. The Company participated in the drilling of the Warbonnet 10D-24 delineation well (42.5% working interest), which in February flowed gas at an IP rate of 12.7 MMcfepd. An operator has reported other recent delineation wells in the Warbonnet area have also proven successful, with IP rates averaging 12 MMcfepd (including the Warbonnet 9C1-8 well and 9D1-14 well). Further, this operator has stated that of the three wells mentioned, EURs for the wells range from 7.5 - 12.5 Bcfe per well versus pre-spud estimates of ranging from 0 - 2.5 Bcfe per well. This results in a 7.5 - 10 Bcfe increase to the operator's original estimates, elevates the reserve classification of offsetting well locations and expands the known productive fairway ("Productive Fairway").

Cliff Adams comments, "The delineation drilling throughout the Pinedale and specifically in the Warbonnet area is extremely exciting. The Productive Fairway continues to expand, exposing the Company to considerable upside in recoverable resources. The continued delineation efforts are expanding the fairway boundaries both to the east and west, which is highly encouraging and very impactful to the Company."

The Company currently has interests in 11,980 gross (3,360 net) acres in the Pinedale area. A portion of the Company's acreage falls within the currently defined Productive Fairway. Delineation drilling has added and will likely continue to add to the amount of the Company's acreage that falls within the Productive Fairway boundaries.

Increased Density. Operators in the Pinedale Field have announced favorable results on 5-acre pilot drilling programs, which support the operators' reservoir understanding and the expectation of the need for 5-acre spacing for optimal field development. The Company expects additional 5-acre pilot drilling throughout 2008 with results being released by the operators over time. Management anticipates that current 5-acre pilot testing by area operators will support 5-acre development on Company lands.

The Company currently has participated in drilling wells on primarily a combination of 40-acre and 20-acre spacing in the Mesa area (approved for 10-acre spacing) and primarily on an 80-acre and 40-acre spacing in the Warbonnet area (portion of the Warbonnet area is a 10-acre spacing pilot area and the remainder is under application for 10-acre spacing). Additionally, the Company's reserve report does not include any 5-acre spacing wells in its Proved and Probable Reserve Report (dated December 31, 2007).

Low Quality Sand Pay. An operator in the Pinedale has disclosed an ongoing testing of lower quality sand pay portions of the Lance Formation. As of the end of the first quarter, the operator had tested a total of 29 wells and 120 intervals (average of 4 intervals per well). According to the operator, on completion of the low quality sand intervals, the production history of the intervals has experienced "identical" performance as traditional Lance intervals in the same family of wells. Wells in the region are averaging approximately $100,000 per frac stage and the operator estimates that they are experiencing 100 MMcfe per frac stage of additional recovery (finding cost of approximately $1.00 per Mcfe).

Cliff Adams comments, “The low quality pay sands testing results are extremely encouraging and could potentially add considerable production and reserves to the Company in the future. In fact, the term ‘low quality pay sands’ may be proven to be a misnomer as our understanding is that the intervals tested, have produced in line with historical pay sections.”

Deeper Target Formations. The Mesa 10D-33 has been drilled to a total depth of 19,500 feet. The operator expected to begin completion activities on the well in late May 2008 and is “optimistic about the results.”

The Mesa 10D-33 is approximately 2 miles south of the Company’s productive interests in the Mesa area. The only other recent deep test in the Pinedale Field to date is the Stewart Point 15-29 which was drilled to a total depth of over 19,000 feet and is approximately 5 miles to the north and west of the Company’s productive interests in the Mesa area.

Cliff Adams comments, “Over time, advancements in technology have allowed the oil and gas industry to continually explore deeper and tighter formations. The deeper formations may hold significant additional gas resources which will further add to the potential of the region. We believe you may see two or three different operators quickly initiate additional deep tests if this well continues to show positive results.”

Year Round Drilling. A Revised Draft Supplemental Environmental Impact Study (“SEIS”) was issued by the Bureau of Land Management in late December, 2007 for which a Record of Decision is expected to be finalized later in 2008. The “Preferred Development Plan” within the SEIS proposes year round development at Pinedale.

Cliff Adams comments, “Following the Record of Decision, the pace of development drilling may be increased dramatically, as companies will likely be allowed to drill year round.”

Conservative Reserve Bookings. The Company’s recent reserve report of proved and probable reserves, prepared by Netherland Sewell, and Associates, Inc., effective December 31, 2007 (“Reserve Report”), estimated the Company to have proved reserves of 100.5 Bcfe and proved plus probable reserves of 160 Bcfe. Reserve estimations on a well per well basis, throughout the Pinedale Field, have generally increased year over year as actual production results meet or exceed expectations. The average well EUR for wells included in the Reserve Report was 4.9 Bcfe. Certain operators believe further upward revisions are likely throughout the Pinedale Field.

REX Pipeline. The Company has been shipping its gas on the Rocky Mountain Express Pipeline ("REX Pipeline") since January 2008, when the REX Pipeline began shipping on the REX West. The Company has a 10 year agreement to ship 10,000 MMBTU per day of gas through the REX Pipeline. Currently, the REX Pipeline ships gas to Audrain County, Missouri, near the Panhandle Eastern ("PEPL") Gas Hub. As of June 9, 2008, according to the Bentek Energy LLC, the PEPL differential to Henry Hub was - 3.02 per MMBTU. Upon full completion of the next phase of the REX Pipeline, REX East estimated to be mid-2009, gas will be shipped to Clarington, Ohio. Natural gas in the Clarington region is currently marketed at a premium to Henry Hub prices.

Given the Company's long term shipping contract on the REX Pipeline, the Company is well positioned to benefit from potentially higher realized prices (currently over $3.00 per MMBTU basis differential) in the Ohio region upon full completion of the REX Pipeline. Additionally, in May 2008, the Company entered into the commodity price hedges as follows:

- Swap of 2,000 MMBTU per day of natural gas for June to December of 2008 at Panhandle Eastern Pipeline for $9.65 per MMBTU
- Collar of 2,000 MMBTU per day of natural gas for June to December of 2008 at Panhandle Eastern Pipeline
    - Floor of $8.00 per MMBTU
    - Ceiling of $12.14 per MMBTU
- Swap of 2,500 MMBTU per day of natural gas for 2009 at Dominion, Appalachia for $11.24 per MMBTU

Cost Reductions. Operators in the Pinedale Field have continued to improve costs of development drilling. Results have been influenced recently by improved bit technology, fleet improvements, skid mounted rigs, speed of drilling and stabilized service costs.

Company Drilling Plans. The Company has participated in the drilling of 6 gross wells in the past three years. Although the Company has a production CAGR of 47% since 2000, it has seen a decline in production levels since 2004. Management anticipates working closely with its operators to increase the pace of development drilling in both the Mesa and Warbonnet areas. The development drilling schedule in the Mesa area will be impacted by the SEIS record of decision expected later in 2008. The Company anticipates participating in additional delineation wells in the Warbonnet area as well as advancing the development drilling in both the 10-acre pilot and non-pilot areas.

<u>Financial Update</u>

The Company has undertaken steps to increase its financial capacity and has recently established a $100 million senior credit facility ("Credit Facility") with an initial $30 million borrowing base with a senior financial lender. The facility will have an interest rate that will float, based on both the bank prime rate and a spread which will increase based on the percentage of availability drawn, resulting in a current interest rate of approximately 5.5%. As a result of the Credit Facility, the Company is now well positioned financially to execute its operational business plan. The company currently has drawn $13.5 million from the Credit Facility and has $16.5 million left available.

Cliff Adams comments, "The Company is now prepared financially to accelerate the pace of drilling over the next 12 to 24 months. The Company has paired the financial wherewithal and the new addition of operational expertise in order to fully realize the potential of this legacy asset."

About Bucking Horse Energy Inc.

Bucking Horse Energy Inc., is an oil and gas exploration, development and production company. More information about Bucking Horse Energy Inc. can be found on its website www.buckinghorseenergy.com.

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Abbreviations:

Bcfe = billion cubic feet of natural gas equivalents

CAGR = compounded annual growth rate

EUR = estimated ultimate recovery

IP = initial production

MMBTU – million British thermal units

MMcfepd = million cubic feet of natural gas equivalents per day

Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should", and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

The material factors or assumptions used to develop forward looking statements in this news release include: that the Company has the financial, technical, personnel and other resources to increase production on its oil and gas properties and carry out the operations referred to in this news release; that the proven reserves on the Company's properties may be increased; that the pace of development on the Company's properties may be increased; that the operators carrying out the drilling and other work in the Pinedale area have the financial, technical, personnel and other resources to continue such work; that the Productive Fairway boundaries may be increased; that such increase will be beneficial to the Company; that the operators carrying out the 5-acre drilling programs in the Pinedale area will release the results of such drilling to the

Company or to the public; that such drilling programs will support 5-acre development on the Company's properties; that the testing on low quality pay sands will be completed and that the results of such testing will be made available to the Company or to the public; that such test results will be positive; that the test results could add considerable production and reserves to the Company in the future; that the Bureau of Land Management will finalize a Record of Decision in 2008; that the Record of Decision will positively impact the pace of development drilling in the Pinedale area; that further upward revisions of average well EUR are possible and likely; that the REX Pipeline will be completed as planned; that the Company will continue to produce gas to ship on the REX Pipeline; that the shipping agreement will remain in place; that the Company will have the production levels to ship 10,000 MMBTU per day of gas through the REX Pipeline; that prices for gas will increase and that the Company will benefit from such increases; that operators will be available in the Mesa and Warbonnet areas; that the pace of development drilling in the Mesa and Warbonnet areas is capable of being increased; and that the terms of the Credit Facility will not change.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of regulatory decisions, competitive factors in the industries in which the Company operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Company. Further, the Company's board of directors may consider that market prices or unexpected requirements for the Company's cash make it unfeasible for the Company to maintain its operations at current levels or at all.

The forward-looking statements contained in this news release represent the Company's expectations as of the date of this news release, and are subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.