



FOR IMMEDIATE RELEASE – February 19, 2009

PAINTED PONY ANNOUNCES OPERATIONAL UPDATE

February 19, 2009 - Calgary, Alberta - Painted Pony Petroleum Ltd. ("Painted Pony" or the "Company") is pleased to provide the following update covering the operational progress made since the end of the third quarter of 2008.

Highlights:

- Sales volumes increased by 27% to a fourth quarter 2008 average rate of 1,173 boe/d from 925 boe/d during the third quarter;
- Two Montney test wells are currently being drilled on Company lands farmed out in North Eastern British Columbia ("NE BC");
- Painted Pony ended the 2008 year with estimated unaudited positive working capital of \$11.5 million and no debt;
- The Company's unused bank lines were re-confirmed at \$22.0 million.

Painted Pony carried out an active fourth quarter exploration and development program with the drilling of 13 (4.2 net) successful wells. In the last quarter of 2008, Painted Pony drilled 12 (3.7 net) Bakken horizontal oil wells in Saskatchewan and one (0.5 net) gas well in NE BC.

The Company grew sales volumes to an estimated fourth quarter 2008 average rate of 1,173 boe/d from the third quarter average daily rate of 925 boe/d. Oil and liquids made up 55% of fourth quarter sales, with 45% from natural gas. Light oil sales from Saskatchewan averaged 620 bbls/d and NE BC contributed 553 boe/d (96% gas and 4% NGL's). Sales in 2008 averaged 761 boe/d compared to 25 bbls/d in 2007.

The Company has entered into two farmout agreements in NE BC for Montney tests on its Cypress and Cameron land blocks. The first well on the Cypress block commenced drilling on December 26th, 2008. A second well on the Cameron block commenced drilling February 8th, 2009. The farmee has committed to drilling two additional Montney wells on the Cameron block. The Company believes that this resource play is being actively pursued by other companies on lands offsetting the Company's land blocks. Painted Pony is currently evaluating the drilling of additional Montney tests on its offsetting lands in 2009.

Also in NE BC, the Company participated in the experimental completion of two Buckinghorse/ Fort Saint John Group shale gas wells. Both wells flowed gas and have been placed on production for further evaluation. The Company is encouraged by the initial results on this new resource-type project but notes that it is in the very early stages of proving up the commercial viability of the project. The Company is considering additional drilling/completions targeting this shale gas play during 2009.

Painted Pony continues to monitor its capital spending program in light of the turmoil in the equity and commodity markets. The Company has adjusted its capital program as necessary to continue to conservatively manage its balance sheet. At the end of 2008, the Company had estimated unaudited positive working capital of \$11.5 million and no debt. The Company's bank lines were reconfirmed at the end of January 2009 at \$22.0 million. It is the Company's objective to maintain its balance sheet in 2009 with little to no debt.

Painted Pony plans to drill 2 (1.7 net) horizontal Bakken oil wells and 2 (1.0 net) Bluesky/Gething gas wells during the first quarter of 2009. The Company is currently evaluating its 2009 second to fourth quarter budget plans.

The Company has built its land position through drilling to earn land, freehold leasing and purchases at crown land sales. The March 16, 2007 farmout agreement with Advantage Oil and Gas Ltd. as described in the Company's prospectus dated May 8, 2007 has expired in accordance with its terms. At December 31, 2008, the Company owned 54,000 net acres of developed and undeveloped land (98% undeveloped) in SE Saskatchewan and 93,900 net developed and undeveloped acres of land (79% undeveloped) in NE BC.

Interested parties are invited to visit the Company's website tomorrow to view an updated presentation dated February 20th, 2009.

For further information, please see www.paintedpony.ca or contact:

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Advisory

This news release contains certain forward-looking statements, which include assumptions with respect to (i) drilling success (ii) production; (iii) future capital expenditures; and (iv) cash flow. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect.

Certain information regarding Painted Pony set forth in this document, including management's assessment of Painted Pony's future plans and operations, number, type and timing of wells to be drilled, the plan and development of certain prospects, production estimates, and expected production growth may constitute forward-looking statements under applicable securities laws and necessarily involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Painted Pony's control, including without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, environmental risks, competition, the lack of availability of qualified personnel or management, inability to obtain drilling rigs or other services, capital expenditure costs, including drilling, completion and facility costs, unexpected decline rates in wells, wells not performing as expected, stock market volatility, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Readers are cautioned that the foregoing list of factors is not exhaustive. Painted Pony's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Corporation will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to the Corporation or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.

Additional information on these and other factors that could affect Painted Pony's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or Painted Pony's website (www.paintedpony.ca).

The forward-looking statements contained in this document are made as at the date of this news release and Painted Pony does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.