Surge Energy

Surge Energy Inc. Announces Vice President Engineering, Stock Option Grant, and Operations Update

CALGARY, Oct. 14 /CNW/ - **Surge Energy Inc.** ("**Surge**" or the "**Company**") (TSX-V: SGY) is pleased to announce that Tee Ong has joined the Company as Vice President Engineering. Mr. Ong is a Professional Engineer in the Province of Alberta with over twenty four years of experience in the Canadian conventional and unconventional oil and gas industry. Mr. Ong's experience is in reservoir engineering, simulation modeling, enhanced oil recovery processes, applications of horizontal well technology, A&D, exploitation and development engineering. He has held engineering positions with various oil and gas companies, with Daylight Energy Ltd. being the most recent. Mr. Ong graduated with a Master of Science in Chemical Engineering in 1988 from The University of Calgary.

The Company also announces that it has granted 80,000 stock options to Mr. Ong, having an exercise price of $5.70 per stock option. The stock options have been granted pursuant to the Company's stock option plan and one third of the options granted will vest on the each of the first, second and third anniversaries of the date of grant. Subsequent to this stock option grant, Surge will have a total of approximately 1.8 million stock options outstanding.

Surge is also pleased to announce that it has drilled and cased the first well of a five well horizontal multi-frac drilling program in southwest Manitoba targeting the Spearfish/Lower Amaranth light oil resource play, and is currently drilling the first of a four well horizontal multi-frac drilling program in its Mannville light oil play in western Alberta. Production from the program in southwest Manitoba is anticipated for November 2010, while production from the Mannville program in western Alberta is expected to start during December 2010.

Surge is an oil focused oil and gas company with operations throughout Alberta and southwest Manitoba. Surge's Common Shares trade on the TSX Venture Exchange under the symbol SGY. Surge currently has approximately 47.7 million basic and 51.9 million fully diluted shares outstanding.

Forward Looking Statements:

This press release contains forward-looking statements. More particularly, this press release contains statements concerning anticipated production for the drilling programs in southwest Manitoba targeting the Spearfish/Lower Amaranth light oil resource play and in western Alberta targeting the Mannville light oil play.

The forward-looking statements are based on certain key expectations and assumptions made by Surge, including expectations and assumptions concerning the performance of existing wells and success obtained in drilling new wells, anticipated expenses, cash flow, capital expenditures and the application of regulatory and royalty regimes.

Although Surge believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Surge can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Certain of these risks are set out in more detail in Surge's Annual Information Form which has been filed on SEDAR and can be accessed at www.sedar.com.

The forward-looking statements contained in this press release are made as of the date hereof and Surge undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither the 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.

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