



**QUICKSILVER RESOURCES ANNOUNCES \$1 BILLION TRANSACTION FOR THE SALE OF  
100% OF ITS INTERESTS IN QUICKSILVER GAS SERVICES**

**FORT WORTH, TEXAS (July 22, 2010)** – Quicksilver Resources Inc. (NYSE: KWK) today announced that it has entered into a definitive agreement to sell all of its interests in Quicksilver Gas Services to Crestwood Midstream Partners II, LLC, a portfolio company of First Reserve Corporation, along with the subordinated note receivable from Quicksilver Gas Services LP (NYSE: KGS), for \$701 million in cash at closing plus up to \$72 million in additional earn-out payments and the resulting elimination of \$228 million of consolidated debt associated with Quicksilver Gas Services LP.

The sale includes 469,944 general partner units representing 100% of the general partner membership interests, 5,696,752 common units, 11,513,625 subordinated units and the note receivable from Quicksilver Gas Services LP, which had a balance of approximately \$57 million as of June 30, 2010. The transaction is not subject to financing contingencies and is expected to close in October 2010, subject to customary closing conditions.

Proceeds from this transaction will further enhance Quicksilver's liquidity. Upon closing, Quicksilver expects to repay all outstanding borrowings under its \$1 billion senior secured credit facility, of which approximately \$528 million is currently outstanding, resulting in total liquidity of more than \$1 billion. Net debt, defined as total debt less cash and marketable securities, is expected to drop to approximately \$.83 per thousand cubic feet of proved developed natural gas reserve equivalents and net debt as a percent of total capitalization is expected to be reduced to approximately 59%, pro forma after this transaction.

“This transaction further validates Quicksilver's integrated approach to developing its natural gas resources,” said Glenn Darden, Quicksilver president and chief executive officer. “After building the gathering and processing infrastructure for our Fort Worth Basin assets, we are now able to realize significant value that can be redeployed into our core, higher return exploration and development opportunities including the Fort Worth and Horn River basins. The sale to Crestwood enables Quicksilver to retain a reliable provider of midstream service for our ongoing Fort Worth Basin development, at an attractive cost for gathering and processing.”

UBS Financial Services acted as financial advisor to Quicksilver and Davis Polk & Wardwell LLP acted as legal counsel to Quicksilver in connection with the transaction.

***Conference Call***

The company will host a conference call to discuss this transaction at 8:00 a.m. eastern time on Friday, July 23, 2010.



Quicksilver invites interested parties to participate in the call via the company's website at <http://www.qrinc.com> or by calling 1-877-313-7932, using the conference ID number 90107101, prior to 7:55 a.m. eastern time. A digital replay of the conference call will be available at 1:00 p.m. eastern time that day and will remain available for 30 days. The replay can be accessed at 1-800-642-1687 and enter the conference ID number 90107101. The replay will also be archived for 30 days on the company's website.

### ***About Quicksilver Resources***

Fort Worth, Texas-based Quicksilver Resources is a natural gas and crude oil exploration and production company engaged in the development and acquisition of long-lived, unconventional natural gas reserves, including coalbed methane, shale gas, and tight sands gas in North America. The company has U.S. offices in Fort Worth, Texas; Glen Rose, Texas and Cut Bank, Montana. Quicksilver's Canadian subsidiary, Quicksilver Resources Canada Inc., is headquartered in Calgary, Alberta. For more information about Quicksilver Resources, visit [www.qrinc.com](http://www.qrinc.com).

### **Forward-Looking Statements**

*The statements in this news release regarding future events, occurrences, circumstances, activities, performance, outcomes and results are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Although these statements reflect the current views, assumptions and expectations of Quicksilver Resources' management, the matters addressed herein are subject to numerous risks and uncertainties, which could cause actual activities, performance, outcomes and results to differ materially from those indicated. Factors that could result in such differences or otherwise materially affect Quicksilver Resources' financial condition, results of operations and cash flows include: changes in general economic conditions; fluctuations in natural gas, natural gas liquids and crude oil prices; failure or delays in achieving expected production from exploration and development projects; uncertainties inherent in estimates of natural gas, natural gas liquids and crude oil reserves and predicting natural gas, natural gas liquids and crude oil reservoir performance; effects of hedging natural gas, natural gas liquids and crude oil prices; fluctuations in the value of certain of our assets and liabilities; competitive conditions in our industry; actions taken or non-performance by third parties, including suppliers, contractors, operators, processors, transporters, customers and counterparties; changes in the availability and cost of capital; delays in obtaining oilfield equipment and increases in drilling and other service costs; operating hazards, natural disasters, weather-related delays, casualty losses and other matters beyond our control; the effects of existing and future laws and governmental regulations, including environmental and climate change requirements; and the effects of existing or future litigation; as well as, other factors disclosed in Quicksilver Resources' filings with the Securities and Exchange Commission. The forward-looking statements included in this news release are made only as of the date of this news release, and we undertake no obligation to update any of these forward-looking statements to reflect subsequent events or circumstances except to the extent required by applicable law.*



**QUICKSILVER RESOURCES INC.**  
**RECONCILIATION OF DEBT TO NET DEBT**  
**Pro Forma for Sale of Interests in Quicksilver Gas Services**  
**In millions - Unaudited**

	<u>As of July 30,</u> <u>2010</u>
Long-Term Debt	\$ <u>1,866.9</u>
Adjustments	
Cash	(176.1)
Market value of BreitBurn LP securities	(274.4)
Taxes payable related to gain on KGS sale	<u>138.0</u>
Total adjustments	<u>(312.5)</u>
Net Debt	\$ <u>1,554.4</u>
Equity	\$ <u>1,072.4</u>
Total Net Capitalization	\$ <u><u>2,626.8</u></u>
Net Debt to Total Net Capitalization	59%

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