



**PRESS RELEASE  
FOR IMMEDIATE DISTRIBUTION**

**December 22, 2009**

**CANADIAN ENERGY SERVICES L.P. ANNOUNCES UNITHOLDER APPROVAL OF PLAN OF ARRANGEMENT**

**Canadian Energy Services L.P.** ("**CES**" or the "**Partnership**") (TSX: CEU.UN) is pleased to announce that at the special meeting of the holders ("**Partnership Unitholders**") of Class A Common limited partnership units ("**Class A Units**") of the Partnership, the Partnership Unitholders approved the reorganization of the business of the Partnership into a corporation, pursuant to a plan of arrangement (the "**Arrangement**") under section 192 of the Canada Business Corporations Act. The Arrangement involves the Partnership, Partnership Unitholders, Nevaro Capital Corporation ("**Nevaro**"), the holders of common shares of Nevaro ("**Nevaro Shareholders**") and certain other parties.

The Arrangement was also approved by the Nevaro Shareholders at the Nevaro special meeting held on December 22, 2009, whereby the Nevaro Shareholders accepted the Arrangement provisions to reorganize the business of Nevaro under section 192 of the Canada Business Corporations Act.

Pursuant to the Arrangement, the Class A Units of the Partnership and the shares of Canadian Energy Services Inc., the general partner of the Partnership, will be transferred to Nevaro, which will carry on the existing businesses of the Partnership under the name "Canadian Energy Services & Technology Corp." ("**CESTC**"). Partnership Unitholders will receive one common share of Nevaro for each Class A Unit held. In addition, the assets and liabilities of Nevaro, along with approximately \$2.8 million in consideration from the Partnership, will be transferred to 7280157 Canada Ltd. which will carry on Nevaro's existing business, be renamed "Nevaro Capital Corporation", and be owned by the current shareholders of Nevaro. The Arrangement is expected to become effective on January 1, 2010.

Complete details of the terms of the Arrangement are set out in the joint information circular and proxy statement that will be filed by CES on SEDAR. ([www.sedar.com](http://www.sedar.com))

**About Canadian Energy Services L.P.**

Canadian Energy Services is organized in accordance with the terms and conditions of a limited partnership agreement which provides that only persons who are resident in Canada, or, if partnerships, are Canadian partnerships, in each case for purposes of the Income Tax Act (Canada) (the "Tax Act"), may own units of the Partnership. Units may not be purchased as a "tax shelter investment" for the purposes of the Tax Act or by any entity an interest in which is a tax shelter investment. The Partnership is not itself currently subject to tax under the Income Tax Act (Canada). Each limited partner of the Partnership generally is required to include in computing the partner's income for a particular taxation year the limited partner's pro rata share of the income of the Partnership for its fiscal year ending in, or coincidentally with, the partner's taxation year end, whether or not any of that income is distributed to the

partner in the taxation year. Generally, the amount of income allocated to a limited partner may exceed (or be less than) the amount of cash distributed by the Partnership to such limited partner.

Canadian Energy Services designs and implements drilling fluid systems for the oil and natural gas industry, in particular relating to drilling medium to deep vertical and directional wells and horizontal wells in western Canada and the United States through its subsidiary AES Drilling Fluids, LLC. Additional information about Canadian Energy Services is available at [www.sedar.com](http://www.sedar.com) or at the Partnership's website at [www.CanadianEnergyServices.com](http://www.CanadianEnergyServices.com).

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### **Forward Looking Information**

This press release contains certain forward-looking statements and forward-looking information ("**forward-looking information**") within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "should" or similar words suggesting future outcomes. In particular, this press release includes forward-looking information relating to anticipated completion of the Arrangement. CES believes the expectations reflected in such forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Forward-looking information is based on various assumptions. Those assumptions are based on information currently available to CES.

Forward-looking information is not a guarantee of future performance and involves a number of risks and uncertainties some of which are described herein. Such forward-looking information necessarily involves known and unknown risks and uncertainties, which may cause CES' actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking information. These risks and uncertainties include but are not limited to the risks identified in CES' Annual Information Form for the year ended December 31, 2008 under the heading "Risk Factors" in CES' Management's Discussion and Analysis for the year ended December 31, 2008 under the heading "Risks and Uncertainties", and the risks and uncertainties in the joint information circular and proxy statement of CES and Nevaro dated November 25, 2009. Any forward-looking information is made as of the date hereof and, except as required by law, CES assumes no obligation to publicly update or revise such information to reflect new information, subsequent or otherwise.

**THE TORONTO STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT  
RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.**