

**NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES
OR FOR DISSEMINATION IN THE U.S.**



July 23, 2007

NEWS RELEASE

Canadian Energy Services L.P. Announces Cash Distribution

TSX: CEU.UN

Calgary, Alberta – Canadian Energy Services L.P. ("Canadian Energy Services" or the "Partnership") announced today that it will pay a cash distribution of \$0.0792 per Class A Common limited partnership unit ("Class A Unit") on August 15, 2007 in respect of operations for the period from July 1 to July 31, 2007, to Unitholders of record on July 31, 2007.

Canadian Energy Services' core business is the design and delivery of specially developed drilling fluid systems required for the drilling of oil & natural gas wells. The Partnership is focused on medium to deep vertical and directional wells and horizontal wells including the oilsands. Additional information about Canadian Energy Services is available at www.sedar.com.

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.

For further information, please contact:

Tom Simons
President and Chief Executive Officer
*Canadian Energy Services Inc.,
the general partner of
Canadian Energy Services L.P.*
(403) 269-2800

Laura A. Cillis
Chief Financial Officer
*Canadian Energy Services Inc.,
the general partner of
Canadian Energy Services L.P.*
(403) 269-2800

www.CanadianEnergyServices.com

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