Canadian Energy SERVICES L.P.

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CANADIAN ENERGY SERVICES L.P. ANNOUNCES STRATEGIC U.S. ACQUISITION

CALGARY, ALBERTA

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Canadian Energy Services L.P. ("**CES**" or the "**Partnership**") (**TSX: CEU.UN**) is pleased to announce that it has entered into an agreement (the "**Business Acquisition Agreement**") with Champion Drilling Fluids Inc. ("**Champion**") to acquire all of the business assets of Champion (the "**Champion Acquisition**"). Champion is an Oklahoma-based private drilling fluids service company which designs and implements drilling fluid systems for oil and gas operators in the U.S. midcontinent region. Champion was established in 1982 and provides drilling fluid solutions for a large number of leading oil, natural gas, and unconventional natural gas developers.

Tom Simons, President and Chief Executive Officer of the general partner of CES, stated that "The Champion Acquisition is consistent with the Partnership's strategy to pursue strategic growth opportunities in the United States and represents a significant step in CES' transition to become a growth-oriented corporation. Champion has a strong market position and many long term customer relationships with leading U.S. oil and gas companies. Champion's customers are drilling horizontal wells to be multistage fracced, and will provide an excellent platform to introduce CES' proven technologies. Further, Champion provides CES with an expanded presence in U.S. unconventional resource plays with future expansion opportunities in new areas such as the Marcellus. We are also very pleased that the founders of Champion will be joining CES, and will continue to play a leadership role in the development and execution of the U.S. expansion strategy of CES."

Champion Acquisition – Details

Total consideration for the Champion Acquisition is expected to be US$16.7 million (the "**Purchase Price**"), of which US$10.4 million is payable in cash with the remaining US$6.3 million balance payable through the issuance of subordinated convertible debentures (the "**Debentures**"), with forced conversion of the Debentures into an estimated 791,610 common shares of the corporation resulting from the Conversion of CES, upon the completion of the Conversion. The face value of the Debentures is C$6.6 million with a conversion price of C$8.37 per common share. The Debentures and any common shares issued on conversion will be subject to escrow provisions, with one-third of the escrowed shares being released on each of the first, second and third anniversaries after closing of the Champion Acquisition. In addition, US$2 million of the cash purchase price is subject to holdback provisions and is releasable upon the earlier of the second anniversary of closing or the **s**uccessful business expansion of Champion's drilling fluids business into the Marcellus shale region. The cash payable at closing of the Champion Acquisition will be US$8.4 million and will be funded through CES' current operating line credit facilities. Included as part of the Purchase Price, CES also expects to realize a positive working-capital adjustment of approximately US$2.7 million through the acquisition of work-in-progress and inventory. CES will also acquire fixed assets with an estimated fair value of US$0.4 million. Champion generated approximately US$27.7 million in revenue and US$6.1 of Normalized EBITDA for the year ended December 31, 2007; US$40.3 million in revenue and US$8.7 million of normalized EBITDA for the year ended December 31, 2008; and US$13.2 million in revenue and US$2.0 million of normalized EBITDA for the nine month period ended September 30, 2009.

Details of the terms of the Champion Acquisition are set out in the Business Acquisition Agreement that will be filed by CES on SEDAR. (www.sedar.com).

The Champion Acquisition is expected to close on or prior to November 30, 2009 and is subject to certain closing conditions including, but not limited to, the receipt of all necessary approvals including approval of the TSX.

Champion Drilling Fluids Inc.

Champion is headquartered in Norman, Oklahoma, and is one of the leading independent full-service drilling fluids companies in the U.S. midcontinent region. Champion was established in 1982 and provides drilling fluid solutions for a large number of leading oil, natural gas, and unconventional natural gas developers operating primarily in Kansas, Texas and Oklahoma. Champion employees and management have extensive experience and have built the business over time with a focus on continued profitability and revenue growth. The company has a strong customer base of over 20 clients and proven technical capabilities in delivering high quality drilling fluid products and services. Through a network of stock points and established infrastructure, Champion has built a platform to service the development of the mid-continent U.S. unconventional resource basins. In addition, Champion has recently established an office in Pittsburgh, Pennsylvania as it pursues new opportunities in the Marcellus shale region.

Champion Acquisition – Strategic Rationale

Successful completion of the Champion Acquisition and integration of Champion is expected to position CES as a leading independent North American drilling fluids provider with significant exposure to the development of oil, natural gas, and North American unconventional natural gas. In particular, CES will gain exposure to Champion's established customer base and relationships.

- Champion Acquisition is strategically aligned with CES' long-term business plan to pursue growth opportunities in the U.S. and internationally.

- Champion Acquisition creates a strong platform to service core U.S. unconventional resource plays, in mid-continent, with future expansion opportunities in the Marcellus and the Haynesville shales.

- Integration of businesses creates the opportunity to leverage CES' Canadian horizontal unconventional gas experience and proprietary and patented technologies to grow Champion's business by expanding its offerings of complex drilling solutions.

- Champion Acquisition diversifies CES' existing U.S. business and provides a strong new customer base.

- Champion Acquisition complements CES' current U.S. footprint and expands the scale, infrastructure, and operational and management capabilities of CES within the U.S. market.

- Management of CES expects the Champion Acquisition to be accretive to CES' cash flow and earnings.

Financial Advisor

RBC Capital Markets acted as the exclusive financial advisor to the Partnership with respect to the Champion Acquisition.

About Canadian Energy Services L.P.

CES 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 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.

Management and the Board of Directors of Canadian Energy Services Inc., the general partner of the Partnership, review the appropriateness of distributions on a monthly basis taking into account industry conditions and, particularly, growth opportunities requiring expansion capital and management's forecast of cash available for distribution. **Although at this time the CES intends to continue to make cash distributions to unitholders, and to make dividends to shareholders following the Conversion as discussed in this press release, these distributions and dividends are not guaranteed**. In addition, future expansion investments and acquisitions may be funded internally by withholding a portion of funds otherwise allocated for distributions or dividends in conjunction with or in replacement of external sources of capital such as debt or the issuance of equity. To the extent that CES withholds cash to finance these activities, the amount of distributions or dividends to securityholders may be reduced.

CES 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 or at the Partnership's website at www.CanadianEnergyServices.com.

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, without limitation, this press release includes forward-looking information relating to results of operations, anticipated future dividends, taxes, plans and objectives, access to capital, liquidity and trading volumes, projected costs, business strategy, completion of the Champion

Acquisition, anticipated benefits of the Champion Acquisition and future distributions for the balance of the 2009 fiscal year. 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, including information obtained from third party industry analysts and other third party sources and include the historic performance of CES' businesses, current business and economic trends, completion of the Conversion and utilization of the tax basis, currency, exchange and interest rates, trading data and cost estimates. You are cautioned that the preceding list of assumptions is not exhaustive.

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" and in CES' Management's Discussion and Analysis for the year ended December 31, 2008 under the heading "Risks and Uncertainties", and the risks associated with the availability and amount of the tax basis. 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 term "Normalized EBITDA" is used in this press release to refer to net earnings before interest, taxes, depreciation and amortization, gain/loss on disposal of assets, and normalized by adding back shareholder bonuses. Normalized EBITDA is not a term recognized under Canadian GAPP.

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