

DECLARATION

The undersigned, **Margaret B. Shannon**, declares that she is **Vice President and Secretary** of BJ Services Company Canada, successor company to BJ Services Canada Inc., and is authorized to execute this declaration and that all documents attached hereto are to her knowledge true and accurate copies of the original document that said copies represent.

BJ Services Company Canada

Date: 8/13/01

By: Margaret B. Shannon
Margaret B. Shannon
Vice President and Secretary



CORPORATE ACCESS NUMBER

20703571

BUSINESS CORPORATIONS ACT

**CERTIFICATE
OF
AMALGAMATION**

BJ SERVICES CANADA INC.

IS THE RESULT OF AN AMALGAMATION FILED ON JULY 31, 1996.



A handwritten signature in cursive script, appearing to read "S. Bodley".

Registrar of Corporations

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Registrar of Corporations



CONSUMER AND
CORPORATE AFFAIRS

ARTICLES OF AMALGAMATION

1. NAME OF AMALGAMATED CORPORATION:

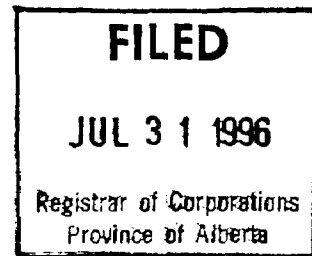
BJ SERVICES CANADA INC.

2. CORPORATE ACCESS NUMBER:

20703571

3. THE CLASSES AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE.

See Schedule "A" attached hereto



4. RESTRICTIONS IF ANY ON SHARE TRANSFERS.

No transfer, assignment or conveyance of any securities of the Corporation shall be made or registered in the Securities Register of the Corporation without the approval of the Board of Directors of the Corporation.

5. NUMBER (OR MINIMUM AND MAXIMUM NUMBER) OF DIRECTORS.

The Corporation shall have a minimum of one (1) and a maximum of ten (10) directors.

6. RESTRICTIONS IF ANY ON BUSINESS THE CORPORATION MAY CARRY ON.

None

7. OTHER PROVISIONS IF ANY.

See Schedule "B" attached hereto

8. NAME OF AMALGAMATING CORPORATIONS.

BJ SERVICES CANADA INC.
NOWSCO WELL SERVICE LTD.

CORPORATE ACCESS NO.

20418540
20039437

9. DATE

SIGNATURE

TITLE

July 31, 1996

Director

FOR DEPARTMENTAL USE ONLY

FILED

**Schedule "A" to the Articles of Amalgamation of
BJ Services Canada Inc.**

2. The classes and any maximum number of shares the Corporation is authorized to issue are as follows:

- (a) the Corporation is authorized to issue an unlimited number of Class "A" shares;
- (b) the Corporation is authorized to issue an unlimited number of Class "B" shares;
- (c) the Corporation is authorized to issue an unlimited number of Class "C" shares;
- (d) the Corporation is authorized to issue 1,000,000 Series One Class "C" shares; and
- (e) the Corporation is authorized to issue an unlimited number of Class "N" Preference Shares.

The rights, privileges, restrictions and conditions attaching to the shares of each of the aforementioned classes are as follows:

Class "A" Shares and Class "B" Shares

- (i) Subject to the provisions of the *Business Corporations Act* (Alberta) (the "Act"), the holders of the Class "A" shares shall be entitled to receive notice of, attend and vote at all meetings of the shareholders of the Corporation and, upon a ballot, shall be entitled to one vote for each Class "A" share held.
- (ii) Subject to the provisions of the Act, the holders of the Class "B" shares shall not be entitled to receive notice of, attend nor vote at any meeting of the shareholders of the Corporation.
- (iii) Subject to the payment of preferential dividends, if any, on any series of Class "C" shares, the holders of the Class "A" shares and the holders of the Class "B" shares shall be entitled to receive, as and when declared by the directors of the Corporation, non-cumulative dividends at such rate as may be determined from time to time by the directors of the Corporation, provided always that the directors of the Corporation may, in their sole discretion, treat the Class "A" shares and the Class "B" shares differently for the purpose of dividends and, notwithstanding the generality of the foregoing, but in particular, the directors may declare dividends on one class without declaring dividends on the other class, declare dividends on both classes at different times or declare dividends on both classes at the same time, in different amounts for each class, or payable at different times.

- (iv) Subject to the preferential rights, if any, of the holders of any series of Class "C" shares in respect of such distribution, in the event of the liquidation, dissolution or winding up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, each holder of Class "A" shares and each holder of Class "B" shares shall be entitled to share rateably in all such distributions in proportion to the number of shares held by them.

Class "C" Shares

- (i) Subject to the provisions of the Act, the Class "C" shares may be issued in one or more series and the directors of the Corporation may fix the number of shares in each series and may, prior to the issuance of any Class "C" shares of a particular series, fix the designation, rights, privileges, restrictions and conditions attaching to the Class "C" shares of each series and, without limiting the generality of the foregoing, the directors may attach to any series of Class "C" shares rights and privileges which are equal or superior to those attached to the Class "A" shares or the Class "B" shares or both the Class "A" shares and the Class "B" shares.

Series One Class "C" Shares

- (i) Subject to the provisions of the Act, the holders of the Series One Class "C" shares shall be entitled to receive notice of, attend and vote at any general meeting of the shareholders of the Corporation and, upon a ballot, shall be entitled to one vote for each Series One Class "C" share held.
- (ii) The holders of Series One Class "C" shares shall be entitled to receive, as and when declared by the directors of the Corporation, out of the monies of the Corporation properly applicable to the payment of dividends, non-cumulative dividends at such rate as may be determined from time to time by the directors of the Corporation, provided always that the directors of the Corporation may, in their sole discretion, treat the Class "A" shares, the Class "B" shares and the Series One Class "C" shares differently for the purpose of dividends and, notwithstanding the generality of the foregoing, but in particular, the directors may declare dividends on any one or more without declaring dividends on the other or others, declare dividends on two or more at different times or at the same time, in different amounts for each, or payable at different times.
- (iii) Subject to compliance by the Corporation with all provisions of the Act in that regard, the Corporation may, upon giving thirty (30) days notice of its intent as hereinafter provided (the "Notice"), redeem, at any time and from time to time the whole or any part of the then outstanding Series One

Class "C" shares on payment for each share to be redeemed of the aggregate of \$92.81 plus the amount all declared but unpaid dividends (the "Redemption Price"). The Notice shall be in writing and shall be given to each person who, at the date of giving the Notice, is the registered holder of a Series One Class "C" share to be redeemed. The Notice shall be given by delivering or posting same in a postage paid envelope addressed to each holder of a Series One Class "C" share to be redeemed at the last address of such holder as it appears in the securities register of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation; provided that the accidental failure or omission to give the Notice as aforesaid to one or more of such holders shall not affect the validity of the redemption of the Series One Class "C" shares to be redeemed. Any holder of a Series One Class "C" share to be redeemed may waive the thirty (30) day prior notice period. The Notice shall set out the Redemption Price and the date upon which the Series One Class "C" shares will be redeemed (the "Redemption Date"). On or after the Redemption Date, the Corporation shall pay or cause to be paid to the holders of the Series One Class "C" shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation, or any other place or places within Canada designated by the Notice, of the certificate or certificates for the Series One Class "C" shares called for redemption. Such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers. The Series One Class "C" shares in respect of which the Redemption Price is paid as aforesaid shall thereupon be redeemed. From and after the Redemption Date, the holders of the Series One Class "C" shares to be redeemed shall not be entitled to exercise any rights of holders in respect thereof, except to receive the Redemption Price therefor, unless payment of the Redemption Price shall not be duly made by the Corporation upon presentation of the certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain in full effect. At any time after the Notice is given as aforesaid, the Corporation shall have the right to deposit the Redemption Price for any or all of the Series One Class "C" shares called for redemption with any chartered bank or with any trust company in Canada named for such purpose in the Notice to the credit of a special account or accounts in trust for the respective holders of the Series One Class "C" shares called for redemption, to be paid to them, respectively, without interest, upon surrender to such bank or trust company of the certificate or certificates representing the Series One Class "C" shares called for redemption. Upon such deposit being made or upon the Redemption Date, whichever is later, the Series One Class "C" shares in respect of which such deposit shall have been made shall be deemed to be redeemed and the rights of the holders thereof shall be limited to receiving, without interest, the proportion or part of the total Redemption Price so deposited against surrender of the said certificates held by them, respectively. Any interest allowed on such deposit shall belong to the Corporation.

- (iv) Any holder of Series One Class "C" shares shall be entitled, at his option, and at any time and from time to time, to have all or any part of the Series One Class "C" shares held by him purchased by the Corporation (the "Retraction Right") for an amount equal to the Redemption Price. The Retraction Right may be exercised by notice in writing given to the Corporation (the "Notice") accompanied by the certificate or certificates for the Series One Class "C" shares in respect of which the holder thereof desires to exercise the Retraction Right. The Notice shall be signed by the person shown in the securities register of the Corporation as the registered holder of such Series One Class "C" shares, or by his duly authorized attorney, and the Notice shall specify the number of Series One Class "C" shares which the holder desires to have purchased and shall state the address to which the Redemption Price is to be sent. Upon receipt of the Notice, the Corporation shall pay or cause to be paid the Redemption Price to the holder of such Series One Class "C" shares. Such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers and shall be forwarded by regular mail, postage prepaid, to the holder of such Series One Class "C" shares at the address specified in the Notice. If less than all of the Series One Class "C" shares represented by any certificate are to be purchased by the Corporation, the holder shall be entitled to receive a new certificate for the Series One Class "C" shares comprised in the original certificate which are not being purchased. From and after the giving of the Notice by a holder of Series One Class "C" shares, such holder shall not be entitled to exercise any rights of a holder in respect of the Series One Class "C" shares specified in the Notice except to receive the Redemption Price therefor, unless payment of the Redemption Price shall not be duly made by the Corporation in accordance with the foregoing provisions, in which case the rights of such holder shall remain in full effect. All of the foregoing provisions are conditional upon the Corporation being able to comply with the provisions of the Act in respect of its purchase of the relevant Series One Class "C" shares. In the event the Corporation is unable to purchase any Series One Class "C" shares when requested by a holder thereof as a result of the provisions of the Act, such holder may withdraw the Notice, in which case his rights as a holder of the Series One Class "C" shares specified in the Notice shall remain unaffected or, if the Notice is not withdrawn, the Corporation shall purchase Series One Class "C" shares specified in the Notice, or, from time to time, part thereof, as soon as it is legally able to do so and until such time as all such Series One Class "C" shares have been purchased, the holder thereof may withdraw the Notice in respect of any Series One Class "C" shares specified in the Notice which have not yet been purchased.
- (v) In the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of Series

One Class "C" shares shall be entitled to receive an amount equal to the Redemption Price before any amount shall be paid or any property or assets of the Corporation are distributed to the holders of Class "A" shares and Class "B" shares. After payment to the holders of Series One Class "C" shares of the amount so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

Class "N" Preference Shares

(i) Ranking

The Class "N" Preference Shares shall rank senior to any other shares of the Corporation with respect to the payment of dividends and repayment of capital.

(ii) Dividends

The holders of the Class "N" Preference Shares shall be entitled to receive as and when declared by the directors out of the moneys of the Corporation properly applicable to the payment of dividends fixed preferential non-cumulative dividends at a rate determined by the directors from time to time in their absolute discretion, such dividends not to exceed eight percent (8%) of the Redemption Amount (as hereinafter defined) per annum per share and no more.

(iii) Non-Voting Rights

Except as otherwise provided in the Act the holders of the Class "N" Preference Shares shall not be entitled to receive notice of, or to attend or to vote at any meeting of the shareholders of the Corporation.

(iv) Liquidation, Dissolution or Winding-up

In the event of the liquidation, dissolution or winding-up of the Corporation whether voluntary or involuntary, the holders of the Class "N" Preference Shares shall be entitled to receive in respect of each such share, before any distribution of any part of the assets of the Corporation among the holders of the Class "A" Shares, Class "B" Shares or Class "C" Shares or any other class of shares of the Corporation ranking junior to the Class "N" Preference Shares, an amount equal to the Redemption Price (as hereinafter defined).

(v) Redemption at the Option of the Corporation

Subject to the Act, the Corporation shall, at its option, be entitled to redeem at any time or times all or any part of the Class "N" Preference Shares registered

in the name of any holder of any such Class "N" Preference Shares on the books of the Corporation with or without the consent of such holder by giving notice in writing to such holder specifying:

- (a) that the Corporation desires to redeem all or any part of the Class "N" Preference Shares registered in the name of such holder; and
- (b) if part only of the Class "N" Preference Shares registered in the name of such holder is to be redeemed, the number thereof to be so redeemed; and
- (c) the business day (in this paragraph referred to as the "redemption date") on which the Corporation desires to redeem such Class "N" Preference Shares. Such notice shall specify a redemption date which shall not be less than thirty (30) days after the date on which the notice is given by the Corporation or such shorter period of time as the Corporation and the holder of any such Class "N" Preference Shares may agree; and
- (d) the place of redemption.

The Corporation shall, on the redemption date, redeem such Class "N" Preference Shares by paying to such holder an amount equal to the aggregate Redemption Price on presentation and surrender of the certificate(s) for the Class "N" Preference Shares so called for redemption at such place as may be specified in such notice. The certificate(s) for such Class "N" Preference Shares shall thereupon be cancelled and the Class "N" Preference Shares represented thereby shall thereupon be redeemed. Such payment shall be made by delivery to such holder of a cheque payable in the amount of the aggregate Redemption Price for the Class "N" Preference Shares to be redeemed or such other form as the holder and the Corporation may agree. From and after the redemption date such Class "N" Preference Shares shall cease to be entitled to dividends and the holder thereof shall not be entitled to exercise any of the rights of holders of Class "N" Preference Shares in respect thereof unless payment of the said Redemption Price is not made on the redemption date, or on presentation and surrender of the certificate(s) for the Class "N" Preference Shares so called for redemption, whichever is later, in which case the rights of the holder of the said Class "N" Preference Shares shall remain unaffected until payment in full of the Redemption Price.

Where at any time some but not all of such Class "N" Preference Shares are to be redeemed the Class "N" Preference Shares to be redeemed shall be selected by lot in such manner as the board of directors determines, or as nearly as may be in proportion to the number of Class "N" Preference Shares registered

in the name of each holder, or in such other manner as the board of directors determines.

(vi) Redemption at the Option of the Holder

Subject to the Act, a holder of any Class "N" Preference Shares shall be entitled to require the Corporation to redeem at any time or times any Class "N" Preference Shares registered in the name of such holder on the books of the Corporation by tendering to the Corporation at its registered office a share certificate representing the Class "N" Preference Shares which the holder desires to have the Corporation redeem together with a request in writing (in this paragraph referred to as a "redemption demand") specifying:

- (a) that the holder desires to have the Class "N" Preference Share represented by such certificate redeemed by the Corporation; and
- (b) the business day (in this paragraph referred to as the "redemption date") on which the holder desires to have the Corporation redeem such Class "N" Preference Shares. The redemption demand shall specify a redemption date which shall not be less than thirty (30) days after the date on which the redemption demand is tendered to the Corporation or such other date as the holder and the Corporation may agree.

The Corporation shall, on such redemption date, redeem all Class "N" Preference Shares required to be redeemed by paying to such holder an amount equal to the aggregate Redemption Price therefor on presentation and surrender of the certificate(s) for the Class "N" Preference Shares to be so redeemed at the registered office of the Corporation. The certificate(s) for such Class "N" Preference Shares shall thereupon be cancelled and the Class "N" Preference Shares represented thereby shall thereupon be redeemed. Such payment shall be made by delivery to such holder of a cheque in the amount of the aggregate Redemption Price for the Class "N" Preference Shares to be redeemed or such other form as the holder and the Corporation may agree. From and after the redemption date, such Class "N" Preference Shares shall cease to be entitled to dividends and the holder thereof shall not be entitled to exercise any of the rights of holders of Class "N" Preference Shares in respect thereof unless payment of the said Redemption Price is not made on the redemption date, in which case the rights of the holder of the said Class "N" Preference Shares shall remain unaffected until payment in full of the Redemption Price.

If less than all Class "N" Preference Shares represented by a certificate are redeemed, the holder shall be entitled to receive, at the expense of the

Corporation, a new certificate representing the Class "N" Preference Shares which have not been redeemed.

(vii) Definitions

With respect to the Class "N" Preference Shares, the following terms shall have the meaning set forth below:

- (a) "Redemption Amount" in respect of each Class "N" Preference Share means Cdn. \$1.00.
- (b) "Redemption Price" in respect of each Class "N" Preference Share means the Redemption Amount together with all dividends declared thereon and unpaid to the date of liquidation, dissolution or winding-up of the Corporation or date of redemption of such Class "N" Preference Share, as the case may be.

**Schedule "B" to the Articles of Amalgamation of
BJ Services Canada Inc.**

7. (i) The number of shareholders of the Corporation, exclusive of persons who are in the employment and are shareholders of the Corporation, and exclusive of persons, who, having been formerly in the employment of the Corporation, were, while in that employment, shareholders of the Corporation and have continued to be shareholders of the Corporation after termination of that employment, shall be limited to not more than 50 persons, 2 or more persons who are the joint registered owners of one or more shares being counted as one shareholder.
- (ii) Any invitation to the public to subscribe for any shares, options to purchase shares, bonds, debentures, notes or other securities of the Corporation is prohibited.
- (iii) The directors of the Corporation may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual general meeting of the Corporation.
- (iv) The Corporation shall have a lien on the shares registered in the name of a shareholder or his legal representative for a debt of that shareholder to the Corporation.