

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN, MANITOBA, ONTARIO,
QUEBEC, NOVA SCOTIA, NEW BRUNSWICK, NEWFOUNDLAND, PRINCE EDWARD
ISLAND, NORTHWEST TERRITORIES, NUNAVUT AND YUKON

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF WEATHERFORD INTERNATIONAL, INC.,
WEATHERFORD OIL SERVICES, INC., WEATHERFORD CANADA LTD.
AND ALPINE OIL SERVICES CORPORATION

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, Newfoundland, Prince Edward Island, Northwest Territories, Nunavut and the Yukon (the "Jurisdictions") has received an application from Weatherford International, Inc. ("Weatherford"), Weatherford Oil Services, Inc. ("Services") and Weatherford Canada Ltd. ("WCL") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that:

1.1 the requirements under the Legislation to be registered to trade in a security (the "Registration Requirement") and to file and obtain a receipt for a preliminary prospectus and a prospectus (the "Prospectus Requirement") shall not apply to certain trades and distributions of securities to be made in connection with an agreement to combine the businesses of Weatherford and Alpine Oil Services Corporation ("Alpine") through a plan of arrangement involving Weatherford, Services, WCL and Alpine; and

1.2 the requirements under the Legislation for a reporting issuer or the equivalent to issue a press release and file a report upon the occurrence of a material change, file and deliver interim and annual financial statements, information circulars and annual information forms and provide management's discussion and analysis of financial conditions and results of operations (the "Continuous Disclosure Requirements") shall not apply to Services;

2. AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Alberta Securities Commission is the principal regulator for this application;

3. AND WHEREAS Weatherford, WCL and Services have represented to the Decision Makers that:

3.1 Weatherford is a corporation incorporated under the laws of the State of Delaware, with its head office in Houston, Texas;

3.2 the authorized capital of Weatherford includes 250,000,000 shares of common stock ("Weatherford Common Stock"), of which 109,188,797 were issued and outstanding as of June 26, 2000;

3.3 the Weatherford Common Stock is listed and posted for trading on The New York Stock Exchange (the "NYSE");

3.4 Weatherford is subject to the reporting requirements under the *Securities Exchange Act of 1934* (the "1934 Act") in the United States of America;

3.5 Weatherford is not a reporting issuer or the equivalent in any of the Jurisdictions;

3.6 Services is a corporation incorporated under the *Business Corporations Act* (Alberta) (the "ABCA"), with its head office in Edmonton, Alberta;

3.7 Services was incorporated on June 15, 2000 and has not carried on any business to date;

3.8 the authorized capital of Services consists of an unlimited number of common shares and an unlimited number of exchangeable shares, issuable in series;

3.9 there are currently 1,000 common shares of Services issued and outstanding, all of which are held by wholly-owned subsidiaries of Weatherford;

3.10 Services is not a reporting issuer or the equivalent in any of the Jurisdictions;

3.11 WCL is a corporation incorporated under the ABCA, with its head office in Edmonton, Alberta,

3.12 all of the currently issued and outstanding securities of WCL are held by wholly-owned subsidiaries of Weatherford;

3.13 WCL is not a reporting issuer or the equivalent in any of the Jurisdictions;

3.14 Alpine is a corporation incorporated under the ABCA, with its head office in Calgary, Alberta;

3.15 the authorized capital of Alpine consists of an unlimited number of common shares ("Alpine Shares") and an unlimited number of preferred shares;

3.16 28,838,261 Alpine Shares and 645,500 options to purchase Alpine Shares ("Alpine Options") were issued and outstanding as of June 23, 2000;

3.17 the Alpine Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE");

3.18 Alpine is a reporting issuer or the equivalent in Alberta, British Columbia, Ontario and Québec;

3.19 Alpine is not in default of any requirements of the Legislation;

3.20 Services, Weatherford, WCL and Alpine have entered into an agreement which provides for the combination of the businesses of Weatherford and Alpine (the "Combination");

3.21 the Combination will be effected through an arrangement under section 186 of the ABCA involving Services, Weatherford, WCL and Alpine (the "Arrangement");

3.22 the Arrangement is subject to the approval of the holders of Alpine Shares and Alpine Options (the "Alpine Security Holders") and the Court of Queen's Bench of Alberta;

3.23 a meeting (the "Meeting") of the Alpine Security Holders has been scheduled for August 4, 2000;

3.24 an information circular (the "Circular") prepared in accordance with the Legislation has been provided to the Alpine Security Holders in connection with the Meeting and filed with each of the Decision Makers;

3.25 the Circular contains prospectus-level disclosure concerning the Combination, the Arrangement and the businesses of Weatherford and Alpine;

3.26 under the Arrangement:

3.26.1 the articles of incorporation of Services will be amended to designate a series of exchangeable shares of Services as Series 1 Exchangeable Shares (the "Exchangeable Shares");

3.26.2 the Alpine Security Holders will transfer their Alpine Shares and Alpine Options to Services in consideration for a number of Exchangeable Shares determined in accordance with formulas described in the Circular;

3.26.3 Services will transfer the Alpine Shares and Alpine Options to WCL in consideration for a number of preferred shares of WCL;

3.27under the terms of the Exchangeable Shares, and certain rights to be granted in connection with the Arrangement, holders of Exchangeable Shares will be able to exchange them at their option for Weatherford Common Stock on a one for one basis;

3.28under the terms of the Exchangeable Shares, and certain rights to be granted in connection with the Arrangement, Weatherford or Services will be able to redeem, retract or acquire Exchangeable Shares in exchange for Weatherford Common Stock in certain circumstances;

3.29in order to ensure that the Exchangeable Shares remain the economic equivalent of Weatherford Common Stock prior to their exchange, the Arrangement provides for:

3.29.1 a support agreement to be entered into between Weatherford and Services which will, among other things, restrict Weatherford from declaring or paying dividends on Weatherford Common Stock unless equivalent dividends are declared and paid on the Exchangeable Shares and from subdividing, consolidating or reclassifying Weatherford Common Stock unless economically equivalent changes are made to the Exchangeable Shares;

3.29.2 an exchange trust agreement to be entered into between Weatherford, Services and a depository (the "Depository") which will, among other things, grant to the Depository, for the benefit of holders of Exchangeable Shares, the right to require Weatherford to indirectly exchange the Exchangeable Shares for Weatherford Common Stock upon the occurrence of certain specified events (the "Exchange Rights");

3.29.3 the deposit by Weatherford of a special voting share (the "Voting Share") with the Depository which will effectively provide holders of Exchangeable Shares with voting rights equivalent to those attached to Weatherford Common Stock;

3.30the terms of the Arrangement, the terms of the Exchangeable Shares and the exercise of certain rights provided for in connection with the Arrangement may result in the following trades or distributions, or the equivalent, under the Legislation (collectively, the "Trades"):

3.30.1the issuance by Services of Exchangeable Shares to the Alpine Security Holders in consideration for the Alpine Shares and Alpine Options;

3.30.2 the transfer by the Alpine Security Holders of the Alpine Shares and Alpine Options to Services in consideration for Exchangeable Shares;

3.30.3 the grant by Weatherford of the Exchange Right to the Depository;

3.30.4 the issuance by Weatherford and delivery by Services of Weatherford Common Stock to holders of Exchangeable Shares upon the exercise of the Exchange Right;

3.30.5 the issuance by Weatherford of the Voting Share to the Depository;

3.30.6 the grant by holders of Exchangeable Shares to Weatherford of certain rights to purchase Exchangeable Shares for Weatherford Common Stock (the "Call Rights");

3.30.7 the grant by Weatherford to the holders of the Exchangeable Shares of certain rights to require Weatherford to purchase the Exchangeable Shares for Weatherford Common Stock (the "Put Rights");

3.30.8 the issuance by Weatherford of Weatherford Common Stock to holders of Exchangeable Shares upon the exercise of the Call Rights or Put Rights;

3.30.9 the issuance by Weatherford and delivery by Services of Weatherford Common Stock to holders of Exchangeable Shares upon the exchange, redemption or retraction of the Exchangeable Shares under their terms; and

3.30.10 the transfer of Exchangeable Shares by the holders thereof to Weatherford or Services in connection with the exercise of the Exchange Right, the Call Rights or the Put Rights or upon the exchange, redemption or retraction of the Exchangeable Shares under their terms;

3.31 Services has applied to have the Exchangeable Shares listed on the TSE following the Arrangement;

3.32 Services will be a reporting issuer or the equivalent in Alberta, British Columbia, Ontario and Québec following the Arrangement. Services has also applied to be declared a reporting issuer in Nova Scotia following the Arrangement. Services will not be, and does not intend to become, a reporting issuer or the equivalent in any other Jurisdiction;

3.33the Circular discloses that Weatherford and Services have applied for relief from the Registration and Prospectus Requirements and the Continuous Disclosure Requirements. The Circular also identifies the limitations imposed on any resale of Exchangeable Shares or Weatherford Common Stock and the continuous disclosure that will be provided to holders of Exchangeable Shares if the requested relief is granted;

3.34Weatherford will concurrently send to holders of Weatherford Common Stock resident in the Jurisdictions all disclosure material it sends to holders of Weatherford Common Stock resident in the United States;

4. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

5. AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

6. THE DECISION of the Decision Makers under the Legislation is that:

6.1 the Registration Requirement and the Prospectus Requirement shall not apply to the Trades;

6.2 the first trade of Exchangeable Shares acquired under the Arrangement shall be subject to the Prospectus Requirement unless:

6.2.1 the trade is exempt from the Prospectus Requirement under the Legislation of the Jurisdiction in which the trade takes place (the "Applicable Jurisdiction"); or

6.2.2 Services is a reporting issuer or the equivalent in the Applicable Jurisdiction or, if Services is not a reporting issuer or the equivalent in the Applicable Jurisdiction, the requirements described in paragraph 6.4 have been met in the Applicable Jurisdiction;

6.2.3 if the seller is in a special relationship with Services or Weatherford, as defined in the Legislation of the Applicable Jurisdiction, the seller has reasonable grounds to believe that Services and Weatherford are not in default of any requirement of the Legislation of the Applicable Jurisdiction or of this Decision;

6.2.4 no unusual effort is made to prepare the market or to create a demand for the Exchangeable Shares and no extraordinary commission or consideration is paid in respect of the trade; and

6.2.5 the trade is not a trade from the holdings of any person, company or combination of persons or companies that holds a sufficient number of securities of Services or Weatherford, or a combination of securities of Services and Weatherford, to affect materially the control of Services or Weatherford or holds, in the absence of evidence showing that the holding of those securities does not affect materially the control of Services or Weatherford, more than 20 percent of the outstanding voting securities of Services or Weatherford;

6.3 the first trade of Weatherford Common Stock acquired upon the exercise of the Exchange Right, the Call Rights, the Put Rights or upon the exchange, redemption or retraction of the Exchangeable Shares under their terms shall be subject to the Prospectus Requirement unless:

6.3.1 the trade is exempt from the Prospectus Requirement under the Legislation of the Jurisdiction where the trade takes place; or

6.3.2 the trade is made through the facilities of the NYSE, or such other market or exchange outside of Canada on which the Weatherford Common Stock may be quoted or listed for trading at the time that the trade occurs, in accordance with the rules and regulations applicable to that market or exchange;

6.4 the Continuous Disclosure Requirements shall not apply to Services for as long as:

6.4.1 Weatherford sends to all holders of Exchangeable Shares resident in the Jurisdictions all disclosure material furnished to holders of Weatherford Common Stock resident in the United States;

6.4.2 Weatherford files with each of the Decision Makers copies of all documents filed by it with the United States Securities and Exchange Commission under the 1934 Act;

6.4.3 Weatherford complies with the requirements of the NYSE or such other market or exchange on which the Weatherford Common Stock may be quoted or listed, in respect of making public disclosure of material information on a timely basis and forthwith issues in the Jurisdictions and files with the Decision Makers any press release that discloses a material change in the affairs of Weatherford;

6.4.4 Services has provided each recipient or proposed recipient of Exchangeable Shares resident in the Jurisdictions with a statement

indicating that, as a consequence of this Decision, Services will be exempt from certain disclosure requirements applicable to reporting issuers or the equivalent, specifying those requirements that Services has been exempted from and identifying the disclosure that will be made in substitution therefor;

6.4.5 Services complies with the requirements of the Legislation to issue a press release and file a report with the Decision Makers upon the occurrence of a material change in the affairs of Services that is not also a material change in the affairs of Weatherford;

6.4.6 Weatherford includes in all future mailings of proxy solicitation materials to holders of Exchangeable Shares a clear and concise insert explaining the reason for the mailed material being solely in relation to Weatherford and not to Services, such insert to include a reference to the economic equivalency between the Exchangeable Shares and Weatherford Common Stock and the right to vote at meetings of shareholders of Weatherford;

6.4.7 Weatherford remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of Services; and

6.4.8 Services does not conduct any business or any offering of securities unconnected with the Combination, the Arrangement or the fulfilling of the terms of the Exchangeable Shares.

DATED at Calgary, Alberta this "3rd" day of "August", 2000.

Glenda A. Campbell, Vice-Chair James E. Allard, Member

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief under subsections 116(1), 123(c) and 184(2) of the Alberta Act from the requirements under sections 54 and 81 of the Alberta Act, the continuous disclosure requirements under Part 11 of the Alberta Act and the proxy solicitation requirements wider Part 12 of the Alberta Act in connection with an arrangement conducted using a cross-border share exchange structure.

Applicable Alberta Statutory Provisions

Securities Act, S.A.. 1981, c.S-6.1, as amended - ss. 54, 81, 116(1), 116(1.1), Part 11, Part 12, 123(c) and 184(2)