

## JOINT NEWS RELEASE

FOR IMMEDIATE RELEASE  
June 17, 2004

### **Dene-owned Shehtah Drilling and Nabors, world's largest land-based drilling contractor, form strategic business partnership**

The parent of Shehtah Drilling Limited, Denendeh Development Corporation of Yellowknife, Northwest Territories, and Nabors Canada LP of Calgary, Alberta announce that they have signed an agreement to form a new strategic partnership which will operate as Shehtah Nabors LP. The new partnership will have its head office in Yellowknife and will be owned by affiliates of Denendeh Development Corporation (51%) and Nabors (49%). The transaction is scheduled to close in August subject to certain conditions precedent.

Shehtah Nabors LP will immediately commence offering Drilling Rigs, Service Rigs and related services to customers with northern oil and gas activities. It has an initial rig fleet of four drilling rigs and four service rigs. The new partnership is currently evaluating plans to add additional rig capacity in the near future to meet the anticipated increase in demand for northern drilling.

Shehtah Drilling Limited has been at work in the North since 1984 and is a wholly owned subsidiary of Denendeh Development Corporation which is 100% Dene-owned through the 27 Dene First Nations of the Gwich'in Chiefs Secretariat, Sahtu Dene Council, Deh Cho First Nations, Tli Cho First Nations and Akaitcho Territory Government. Nabors has been in the contract drilling business in Canada since 1952 and is a proven leader in northern drilling technology with twenty rigs in Alaska. Nabors Canada LP markets 81 drilling rigs and 209 well servicing rigs across Canada and is a wholly owned subsidiary of Nabors Industries Ltd. (AMEX: NBR). Both Nabors and Shehtah are well known for their highly skilled personnel and safe and efficient operations.

In announcing the new partnership, Greg Nyuli, President of Shehtah Drilling stated "This new joint venture with Nabors Canada LP will increase opportunities for the people of our communities to participate in the growing northern oil and gas industry. The new partnership will benefit the Dene through equity ownership as well as employment, training and business opportunities." Duane Mather, CEO of Nabors Canada LP explained "Nabors welcomes the opportunity to work with the Dene of the Northwest Territories in this new venture. With the local presence of Shehtah and new northern technology capabilities of Nabors we expect to see this entity create a real benefit for our customers with plans in Canada's north. Together we make a great team." Both partners have an expectation for growth based on the need to bring technology to the area which will greatly extend the drilling season in the NWT thus changing the economics for the producers.

The Nabors companies own and operate approximately 600 land drilling and approximately 950 land workover and well-servicing rigs worldwide. Offshore, Nabors operates 45 platform, 16 jack-up, and three barge rigs in the U.S. and international markets. Nabors markets 31 marine transportation and support vessels, primarily in the Gulf of Mexico. In addition, Nabors manufactures top drives and drilling instrumentation systems and provides comprehensive oilfield hauling, engineering, civil construction, logistics and facilities maintenance, and project management services. Nabors participates in most of the significant oil, gas and geothermal markets in the world.

The information above includes forward-looking statements within the meaning of the U.S. Securities Exchange Act of 1934. Such forward-looking statements are subject to certain risks and uncertainties, as disclosed by Nabors from time to time in its filings with the Securities and Exchange Commission. As a result of these factors, actual results may differ materially from those indicated or implied by such forward-looking statements.

For further information contact: Greg Nyuli (867) 920-2764 (DDC)  
Duane Mather (403) 263-6777 (Nabors)