Precision Drilling
 Analyst & Investor Day 2017
 Houston Technical Service Center
 May 15, 2017
Welcome & Key Takeaways

I. Efficiency, reduced cost, technology and scale are the key enablers for industrialized resource development drilling. Precision is a leader in technology and at the forefront of automation/machine learning. Our speed to market and scalability of technology deployment is a distinct competitive advantage.

II. Precision has entered into technology initiatives thoughtfully, fully understanding the competitive dynamics, our position in the value chain and the potential risks of pursuing a vendor partner strategy. Precision has made this technology offering our own, with packaging and support that is difficult for any other drilling contractor to replicate in the near term.

III. Precision’s investment returns on these technology initiatives enhance returns on our core drilling rig investments. There is a clear path to commercialization in 2017. The financial returns are strong and will persist several years into the future.

IV. Precision’s technology initiatives promote maximum utilization on its AC fleet, ultimately driving increased dayrates and providing a platform for revenue pull through from additional technology offerings and closed loop drilling, leading to a stronger financial forecast in 2018 and 2019.
Agenda

7:00 am – Welcome Breakfast
7:45 am – Presentation – Part 1
9:00 am – Break
9:15 am – Presentation – Part 2
10:30 am – Rig Technology Tour – Rig 609 ST1500 [30 minutes per station]

**Station #1**
Field Training & Development - showcase employee training and development, technical training & our training rig.

**Station #2**
Drillers Cabin - drillers’ cabin with process automation control, directional drilling guidance systems, and high-speed drilling data transmissions via wired pipe

**Station #3**
Technical Equipment - advanced pumping capacity and drilling fluid processing capability with three 7500psi mud pumps, three shakers and a fourth generator, dual fuel capability, advanced pipe handling system via a pipe racking system and mechanized catwalk, increased set back capabilities, extended travel omni directional walking system

15 Minute Break – Bay 4

**All**
Demonstration of Rig Walking XY

1:00 pm - Lunch
**Forward-looking statements**

Certain statements contained in this report, including statements that contain words such as "could", "should", "can", "anticipate", "estimate", "intend", "plan", "expect", "believe", "will", "may", "continue", "project", "potential" and similar expressions and statements relating to matters that are not historical facts constitute "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking information and statements"). In particular, forward looking information and statements include, but are not limited to, the following: our strategic priorities for 2017; our capital expenditure plans for 2017; anticipated activity levels in 2017 and our scheduled infrastructure projects; anticipated demand for Tier 1 rigs; the average number of term contracts in place for 2017. These forward-looking information and statements are based on certain assumptions and analysis made by Precision in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. These include, among other things: the fluctuation in oil prices may pressure customers into reducing or limiting their drilling budgets; the status of current negotiations with our customers and vendors; customer focus on safety performance; existing term contracts are neither renewed nor terminated prematurely; our ability to deliver rigs to customers on a timely basis; and the general stability of the economic and political environments in the jurisdictions where we operate. Undue reliance should not be placed on forward-looking information and statements. Whether actual results, performance or achievements will conform to our expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results to differ materially from our expectations. Such risks and uncertainties include, but are not limited to: volatility in the price and demand for oil and natural gas; fluctuations in the demand for contract drilling, well servicing and ancillary oilfield services; our customers’ inability to obtain adequate credit or financing to support their drilling and production activity; changes in drilling and well servicing technology which could reduce demand for certain rigs or put us at a competitive disadvantage; shortages, delays and interruptions in the delivery of equipment supplies and other key inputs; the effects of seasonal and weather conditions on operations and facilities; the availability of qualified personnel and management; a decline in our safety performance which could result in lower demand for our services; changes in environmental laws and regulations such as increased regulation of hydraulic fracturing or restrictions on the burning of fossil fuels and greenhouse gas emissions, which could have an adverse impact on the demand for oil and gas; terrorism, social, civil and political unrest in the foreign jurisdictions where we operate; fluctuations in foreign exchange, interest rates and tax rates; and other unforeseen conditions which could impact the use of services supplied by Precision and Precision’s ability to respond to such conditions. Readers are cautioned that the foregoing list of risk factors is not exhaustive. Additional information on these and other factors that could affect our business, operations or financial results are included in reports on file with applicable securities regulatory authorities, including but not limited to Precision’s Annual Information Form for the year ended December 31, 2016, which may be accessed on Precision’s SEDAR profile at www.sedar.com or under Precision’s EDGAR profile at www.sec.gov. The forward-looking information and statements contained in this news release are made as of the date hereof and Precision undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a results of new information, future events or otherwise, except as required by law.
Precision’s 2017 Strategic Priorities

Deliver *High Performance, High Value* service offerings in an improving demand environment while demonstrating fixed cost leverage

Commercialize rig automation and efficiency-driven technologies across our Super Series fleet

Maintain strict financial discipline in pursuing growth opportunities with a focus on free cash flow and debt reduction
Drilling Technology Advances Via Step Change

Near Future?
Drilling Technology Advances and Step Changes

- **1802**: Spring Pole Drilling, the beginning of the drilling industry
- **1859**: The Drake Well, Cable Tool Drilling
- **1901**: The Spindletop well, Rotary Drilling
- **1909**: Roller-Cone Bits
- **1960**: Mechanical rig optimization
- **1970**: PDC Bits
- **1980**: ~300 feet per day
- **1990**: AC Drives & Mechanization
- **2000**: Optimization & advanced mobility
- **2010**: Industrialized Pad* Drilling Process
- **Today**: ~3,500 feet per day
- **Future**: Closed Loop Drilling Automation (CLDA)

40 feet in 18 months
1,000 feet in 75 days
~100 feet per day
~300 feet per day
~1,000 feet per day

*SAGD industrialized Pad drilling started in 1992, widespread application of pad drilling started in 2010
*Stated footage per day is indicative and heavily dependent on formation, depth, rig type and other ancillary services
Precision Drilling Technology – Core to Our Strategy

Top Drive
- 1989 Integrated top drive
- Pipe Handling

Iron Roughneck
- 1989 Pipe handling system
- 1989 Iron roughneck

Walking System
- 2006 AMPHION AC controlled rig
- 2008 Walking system

Integrated Directional Drilling
- 2011 Integrated Directional Drilling job

Wired Drill Pipe
- 2013 Job using wired drill pipe
- 2016 NOVOS installed on rig

Process Automation Control
- 2016NOVOS installed on rig
Industrialized Process

A process that achieves the same result while always making sure to get higher quality and a precision outcome in much shorter terms and at a lower cost
Industrialized Resource Development Drilling

Designed to produce an **optimized**, **lowest cost repeatable** outcome

Every step is **measurable**, **benchmarked** and **improved**

Result is **consistent**, **repeatable**, therefore **predictable** and **cost efficient**

**Scale** and **technology** enable **industrialization**
Foundation for Technology
Precision’s Foundation For Technology

Precision Systems

Precision Crews

Super Series Rigs
HIGH PERFORMANCE SYSTEMS & SCALE

- Technical Support Centres
  - Asset Integrity
  - Maintenance Standard
  - Centralized Support
  - In House Repair & Rebuild

- Supply Chain Management
  - Leverage Procurement
  - Vendor Management
  - Centralized Support

- IT Infrastructure and ERP

- Manufacturing + Capital Projects
  - Engineering
  - Project Management
  - Equipment Manufacturing (Rostel)
Toughnecks Recruiting Program

127,224
Applications processed
2013-2016
(12,300 Applications in Q1/17)

1,200 –
1,400
Screened candidates in the system

626
Drillers ~32% at lower positions

301
Rig Managers ~21% at lower positions

Brand & Advertising
Targeted Selection Interviews
System Screening & Testing
New Hire

100+ drilling rigs reactivated from Q2 lows, 2000+ positions filled

Super Series Drilling Rig
Super Single

Versatile, highly efficient rig designed to drill shallow through medium depth unconventional wells

Cost: $10-$12 million

- Super Single; Super Single Light; Super Single Stretch
- 90% of Super Single rigs capable of drilling in slant mode
- Industry pace setter for move time
- Mechanized Pipe Handling
- Top Drive
- Iron Roughneck
- BOP Handling System
- Static Hook Load: 100,000-450,000 lbs
- Pad Walking System
Super Single

Best Suited For:
- Heavy Oil
- Cardium
- Viking
- Shaunavon
- Marcellus
- Bakken
- Niobrara

Highlighted areas represent locations where the rig has worked for customers identified on this slide.
ST-1200

A flexible rig designed to meet tough space requirements without sacrificing power

Cost: $18-$20 million

- Static Hook Load: 500,000 lbs
- Racking Capacity: 18,000 ft (rated with 5" pipe and standard collar supply)
- AC Drive System with AMPHION Drilling Control
- Hydraulically raised mast with integrated top drive
- Mechanized pipe handling and make up
- BOP Handling System
- Extremely flexible location configurability
- Efficient rig-up and down
- Fast move time
- Pad configuration
- XY walking
- 7500 psi high pressure fluid system
- Plug and play third mud pump

Rig 543
ST-1200

Best Suited For:
- Montney
- Duvernay
- Deep Basin
- Stack & SCOOP
- Niobrara
- Eagle Ford
- Marcellus

Highlighted areas represent locations where the rig has worked for customers identified on this slide.
ST-1500

High performance 1500 HP rig delivering unrivaled economics across medium to deep drilling operations and capable of drilling all long-reach horizontal development plays

Cost: $20-$22 million

• Static Hook Load: 825,000 lbs
• Racking Capacity: 26,500 ft (rated with 5" pipe and standard collar supply)
• AC Drive System with AMPHION Drilling Control
• Hydraulically raised mast with integrated top drive
• Mechanized pipe handling and make up
• BOP Handling System
• Extremely flexible location configurability
• Efficient rig-up and down
• Fast move time
• Pad configuration
• XY walking
• 7500 psi high pressure fluid system
• Plug and play third mud pump
Best Suited For:
• Montney
• Duvernay
• Deep Basin
• Permian
• Stack & SCOOP
• Bakken
• Haynesville
• Eagle Ford
• Marcellus/Utica

Highlighted areas represent locations where the rig has worked for customers identified on this slide.
Driller Technology
**Terminology Refresher**

**Mechanical Rig**

**DC SCR Rig**

**AC Rig**

**AC Rig**

**Drilling Equipment Control System (DECS)**

AMPHION, Omron, Drilling Contractor Specific

**Single Board Computer (SBC)** or **Programmable Logic Controller (PLC)**

**Process Automation Control (PAC)** – NOVOS, Drilling Contractor Specific

**Directional Guidance System (DGS)** – abbl, Motive, Drilling Contractor Specific

**High Speed Downhole Data Communication** - Intelliserv

**Optimization** – proNova, Petro Log, Driller Contractor Specific

**PD App Store** – Precision, NOV, Schlumberger, Pason, Operator Specific

**Closed Loop Drilling (CLD)**
Complex Drilling Environment

Source: NOV
Technology Development Philosophy

Partnership Development

NOVOS installation on Rig 543

Internal Development

Internal blueprint for Precision’s ST1500 design
Precision’s Philosophy - Partnering With The Industry Leaders
Building Blocks Of Technology
Precision Technology Building Blocks

- Drilling Equipment Control System
- Process Automation Control
- PD App Store
- High Speed Downhole Data
- Directional Guidance System (DGS)
- Optimization
DRILLING EQUIPMENT CONTROL SYSTEM
Drilling Equipment Control System – What is the AMPHION System?

AMPHION is a fully integrated, network rig control system utilizing SBC’s for managing, controlling, and monitoring rig floor equipment in independent and activity based situations.
Precision Advantage – Highly Scalable

• Precision has 106 rigs AC rigs available to deliver any of the technology building blocks

• A further 20 rigs are candidates to upgrade to the AMPHION system

• Strong in-house AMPHION technical competency
PROCESS AUTOMATION
CONTROL
Process Automation Control (PAC)

Typical Drilling Equipment Control System

- High human involvement
- Driller experience dependent
- Human element creates inconsistencies
- Thousands of decisions made and hundreds of directions given

Process Automation Control

- Operating system enables driller oversight of well construction sequence
- Continual driller input not requirement
### Example of Typical Driller Function

#### Drilling without Process Automation

- **TAG BOTTOM**
  - HOIST PIPE
  - OPEN IBOP
  - OPEN SLIPS
- **DRILL**
  - START MUD PUMPS
  - START TOP DRIVE
  - LOWER DRILL BIT TO BOTTOM
  - ENGAGE AUTO DRILLER
- **BACK TO SLIPS**
  - HOIST BIT OFF BOTTOM
  - STOP TOP DRIVE ROTATION
  - STOP MUD PUMPS
  - CLOSE SLIPS
  - CLOSE IBOP
  - LOWER DRILL PIPE INTO SLIPS

#### Process Automation

- **TAG BOTTOM**
  - ENGAGE
- **DRILL**
  - STOP MUD PUMPS
- **BACK TO SLIPS**
  - CLOSE SLIPS
Process Automation Control (PAC) - Consistency

Automated processes yield consistent results eliminating human variance and error, while allowing the driller to focus on the well bore and crew performance.
In addition to consistency, automated processes yield more efficient operations by eliminating operator induced process delays. Each step in the process is optimized and delays between sequence steps becomes negligible.
Process Automation Control (PAC) – Precision Fleet Integration

- Fleet-wide applicability across all AMPHION AC rigs
- Highly scalable and cost-efficient execution
- Developed with integration and expansion capabilities
- Bolt on hardware and uploadable software that can be installed in less than 12 hours

Today

End Of 2017

mid-2019

PAC system deployed on 15 rigs

Beta testing

PAC system deployed on 20 rigs

Beta Testing Complete

Full deployment across AMPHION AC rigs

Full Commercialization

Rig 533
Precision Software Applications (Apps) Platform

• The PAC is designed as an open platform (PaaS) which allows for the creation of standardized software applications to be delivered across the platforms
• Precision is in control of the platform of applications

Three categories of applications:

I. Third party optimization applications

II. Customer developed optimization applications

III. Precision’s applications for the standardization of routine processes
Applications – Efficiency Gains, Cost Savings, Competitive Advantage

Applications will become a key differentiator

**Precision** – Slip and Cut Calculator

**Operator** – Dynamic Gains

**Third Party** – TruDrill and Drillshark
High Speed Downhole Data Communication – Wired Pipe

Morse Code vs. High Speed Internet
- Data transmission rates from 1-4b/s to 56kb/s
High Speed Downhole Data Communication – Wired Pipe

- Eliminates need to stop drilling process to wait for surveys
- Can be used to quickly orient tool face for sliding and hold precisely while sliding
- Maximizes ROP by drilling with real WOB

- Provides information at the bit, in real time
- Accurate and efficient directional drilling
- Reduction in downhole dysfunctions
- Higher quality hole properties and more accurate hole placement
High Speed Downhole Data Communication – Wired Pipe

- Precision as first mover (2013)

- Precision as the platform of choice: PAC, Integrated Directional Drilling, DGS, Optimization

- Integrates with Precision’s entire fleet of Super Series rigs
Directional Guidance System (DGS)

Coordinated workflow between rig driller and remote directional driller utilizing software that industrializes directional drilling.

Abbl directional advisory supplied by Schlumberger through Pason’s digital infrastructure
Directional Guidance System (DGS)

Abbl directional advisory supplied by Schlumberger through Pason’s digital infrastructure
Directional Guidance System (DGS)

**Traditional Directional Drilling**

- Rig up MWD tool, surface sensors and align motors
- Make up BHA & Trip in BHA
- Monitors actual well position vs plan
- Drills
- Produces GR log
- Provides Inclination & Azimuth values as per survey plan
- Execute steering instructions
- Supervise lay down drilling tool
- Trip out BHA & Lays down BHA
- Lays MWD tool down

**Integrated Directional Drilling Utilizing DGS**

- Rig up MWD tool, surface sensors and align motors
- Make up BHA & Trip in BHA
- Monitors actual well position vs plan
- Drills
- Produces steering instructions TF & course length
- Provides Tool Face orientation
- Provide Tool face orientation
- Produces GR logs
- Supervise lay down drilling tool
- Trip out BHA & Lays down BHA
- Lays MWD tool down

**MWDX** = MWD operator trained to support the rig driller in handling directional BHA pre and post run

**7 processes & 50% reduction in decisions**

**14 processes & 20 decisions**

*Must be at the rig site*
*Can be done remotely today*
Directional Guidance System (DGS) – Experience To Date

Total Wells drilled

<table>
<thead>
<tr>
<th>Number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>51</td>
<td>System Monitoring Directional Jobs</td>
</tr>
<tr>
<td>53</td>
<td>System Advising Directional Drillers</td>
</tr>
<tr>
<td>17</td>
<td>System Advising PD Driller (DD’s removed)</td>
</tr>
</tbody>
</table>

121 Wells drilled

- Safely enabled crew reduction
- Well time reduced
- Minimum additional remote support
- Reduced cost
- Deployable on full fleet of 256 rigs

1,459,166 feet drilled utilizing DGS

Customer Testimony

“The synergies and efficiencies provided by the Precision team are a great match for our cost sensitive operations.” PennWest
Optimization Starts With Data, and Today Big Data

Big Data:

*Data of a very large size, typically to the extent that its manipulation and management present significant logistical challenges*

Oxford English Dictionary

*Datasets whose size is beyond the ability of typical database software tools to capture, store, manage, and analyze*

McKinsey Global Institute

*An all-encompassing term for any collection of data sets so large and complex that it becomes difficult to process using on-hand data management tools or traditional data processing applications*

Wikipedia
Data Tools At Our Disposal

Big Data Analytics

Machine learning

Industrial Internet of Things

Internet of Things
Where is Precision in Big Data?

Volume
- EDR sensor data
- Equipment Diagnostic Data
- Downhole data

Velocity
- ERP data
- Financials
- HR & QHSE databases

Variety
- Free text documents
- PDF
- Images
- Word

Data Generated By 1 Rig Per Day

- EDR
- Diagnostic Data
- Unstructured
- Structured
- WDP
Precision Creating Value Through Data Analytics

Optimize CapEx

- Improve rig design

Reduce OpEx

- Conditional based or predictive maintenance
  - Improve Rig Efficiency/productivity
  - Improve wellbore quality
  - Reduce Operator costs (fuel, fluids, solid control)

Generate Revenue
Optimization at Precision is based on the following performance metrics:

- Rig Repair Downtime
- Spud to Rig Release
- Rig Location Moves
- Rig Pad Moves
- Trip In/Out Rates
- Run Casing Rates
- Slip-to-Slip Connection Times
- Weight-to-Weight Connection Times
- Interval TD to Drillout/Rig Release Times
- Plug Down to Drillout/Rig Release Times
- BOP Nipple Up Times
- Slip & Cut Drill Line Times
- Maintenance analytics
- Consistent
- Predictable
- Repeatable
- Faster
- Safer
- Lower Cost
Challenges in Unconventional Development Programs

**Challenges:**
- High cost of drilling and completing horizontal wells
- Deeper and longer wells
- Varying and long well cycle times
- Pad configuration is getting larger
- Wellbore quality
- Inefficient and inconsistent drilling performance

**Customers Require:**
- Reliable and capable equipment
- Continuous and sustainable cost efficiencies
- Consistent and repeatable performance
- Scale across multiple regions and projects
- Platform to drive further efficiency gains
- Reliable and committed drilling partner
Precision’s Response to Unconventional Development Challenges

**Current Platform:** Increased Rig Equipment Capabilities & Mechanization

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deeper &amp; Longer Wells</td>
<td>7500 psi Mud Circulating System</td>
</tr>
<tr>
<td></td>
<td>Three 1600 HP Mud Pumps</td>
</tr>
<tr>
<td></td>
<td>Increased Set Back Capability</td>
</tr>
<tr>
<td></td>
<td>Multiple Shakers</td>
</tr>
<tr>
<td></td>
<td>AC Technology</td>
</tr>
<tr>
<td>Larger Pad Configuration</td>
<td>Extended Travel Omni Directional Walking System</td>
</tr>
<tr>
<td></td>
<td>Batch Drilling</td>
</tr>
</tbody>
</table>

**Enhancements:** Technology Deployment

**Challenge**

**Solutions**

- Inefficient & Inconsistent Drilling Performance
  - Drilling Equipment Control System
  - Process Automation Control
  - Directional Guidance System
  - High Speed Data Transmission
  - Optimization & PD App Store
Market Validation Of Precision Technology Initiatives

Several Customers Have Adopted:
- Participants in field trials and beta phase
- Co-authors of technical papers & case studies
- Publicly endorse early results
- Work in “partnership” with Precision throughout the beta phase
- Pay for trials/beta

Many Customers Monitoring Closely:
- Through technical validation of results
- Witness other leading E&Ps adopting the technology
- Customers differ on technology adoption rate in general
Customer Feedback on Recent Precision Technology Initiative

What Are Customers Excited About?
- Lower overall project costs
- Fast deployment across PD fleet
- Actual field deployment
- Standard technology platform
- App customization potential

What Do Customers Want to See from Us?
- Demonstrated efficiency gains – multiple wells
- Repeatability of results
- Consistency in performance

Customers View on Commercialization
- Will pay for performance
- Additional revenue rate for PAC has been accepted
- Shared cost savings through DGS has been accepted
Precision Technology Building Blocks

- Mud Pumps
- Top Drive
- Optimization
- PD APP STORE
- DRILLING EQUIPMENT CONTROL SYSTEM
- DIRECTIONAL GUIDANCE SYSTEM (DGS)
- PROCESS AUTOMATION CONTROL
Closed Loop Drilling
Platform For Technology Revenue Generation

- Industrialization
- Foundation
- Technological Enhancements
- Commercialization
- Economics

$$$$
Commercialization – Precision Capital Investments

**Newbuild Rig**
- $18 – $22 Million
- 4 to 5 year payback
- High teens to low 20% IRR

**The Upgrade**
- $1 – $5 Million
- 12 to 24 month payback
- 25% to 50% IRR

**Recent Technology Investments**
- Less than $600 thousand of investment
- 12 – 18 month payback
- 50%+ IRR
Commercialization – Potential Revenue Enhancements

**Revenue Impact**

Each technology is a service sold to customers as bolt on to our existing rigs

**Fleet Pull Through**

Pull through on existing rigs and directional drilling service impacting fleet utilization and dayrate

**Reinforced Competitive Advantage**

New technologies will strengthen competitive advantage and provide a platform for future technology revenue streams
## Technology Financial Model Building Blocks

<table>
<thead>
<tr>
<th>Technology</th>
<th>Daily EBITDA Impact Estimate</th>
<th>Available Fleet</th>
<th>Est. % of Active Rigs (2018 – 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAC</td>
<td>$1,500</td>
<td>100+ rigs</td>
<td>80%-100%</td>
</tr>
<tr>
<td>DGS</td>
<td>$1,000</td>
<td>256 rigs</td>
<td>20%-50%</td>
</tr>
<tr>
<td>High Speed Downhole Data¹ (wired drill pipe)</td>
<td>$2,500</td>
<td>100+ rigs</td>
<td>20%</td>
</tr>
<tr>
<td>Apps²</td>
<td>$250-$1,000</td>
<td>100+ rigs</td>
<td>80%-100%</td>
</tr>
</tbody>
</table>

- **Potential EBITDA impact of up to $6,000 per day**
- **Existing platform results in minimal capital requirement**
  - Estimated cost of approximately $40 million for full fleet rollout
- **Super Triple AC rigs expected to have highest utilization**

---

¹ Assumes rental model
² Assumes 1 to 4 apps at $250 per app
Technology for International

Established Scale in the Middle East Region

- Delivered 6 high spec new builds to Middle East in the past three years
- 6 of 8 active rigs are equipped with AMPHION
- Strategy to move technology initiatives international once full acceptance in North America

*Rig 904, drilling in Kuwait
Wrap Up & Key Takeaways

I. Efficiency, reduced cost, technology and scale are the key enablers for industrialized resource development drilling. Precision is a leader in technology and at the forefront of automation/machine learning. Our speed to market and scalability of technology deployment is a distinct competitive advantage.

II. Precision has entered into technology initiatives thoughtfully, fully understanding the competitive dynamics, our position in the value chain and the potential risks of pursuing a vendor partner strategy. Precision has made this technology offering our own, with packaging and support that is difficult for any other drilling contractor to replicate in the near term.

III. Precision’s investment returns on these technology initiatives enhance returns on our core drilling rig investments. There is a clear path to commercialization in 2017. The financial returns are strong and will persist several years into the future.

IV. Precision’s technology initiatives promote maximum utilization on its AC fleet, ultimately driving increased dayrates and providing a platform for revenue pull through from additional technology offerings and closed loop drilling, leading to a stronger financial forecast in 2018 and 2019.