July 27, 2017

SENT BY ELECTRONIC MAIL

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission (New Brunswick)
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon
Superintendent of Securities, Nunavut

The Secretary Ontario Securities Commission 20 Queen Street West, 22nd Floor Toronto, Ontario M5H 3S8 Fax: 416-593-2318 Email: comments@osc.gov.on.ca	Me Anne-Marie Beaudoin Corporate Secretary Autorité des marchés financiers 800, rue du Square-Victoria, 22e étage C.P. 246, tour de la Bourse Montréal (Québec) H4Z 1G3 Fax: 514-864-6381 E-mail: consultation-en-cours@lautorite.qc.ca

Dear Sirs/Mesdames:

Re: CSA Consultation Paper 51-404 *Considerations for Reducing Regulatory Burden for Non-Investment Fund Reporting Issuers* (the "Consultation Paper")

We welcome the Canadian Securities Administrators' (the "**CSA**") initiative to review the regulatory burden on reporting issuers and the opportunity to respond to the Consultation Paper. We are generally supportive of initiatives that will help reduce regulatory burden, without compromising investor protection or the efficiency of the capital markets. In this response, we will focus on the potential options to reduce regulatory burden that are most applicable to our business.

Background

Precision Drilling Corporation ("**Precision Drilling**" or "**we**") provides onshore drilling and completion and production services to exploration and production companies in the oil and natural gas industry.

Headquartered in Calgary, Alberta, Canada, we are one of Canada's largest oilfield services companies and one of the largest in the United States ("**U.S.**"). We also have operations in Mexico and the Middle East.

Our common shares trade on the Toronto Stock Exchange ("**TSX**") and on the New York Stock Exchange ("**NYSE**").

Responses

Part 2.1 – Extending the application of streamline rules to smaller reporting issuers

We believe that there is a benefit to having issuers listed on the TSX subject to the same reporting regime because distinguishing issuers by exchange listing is a more readily identifiable and consistent distinction compared to size of issuer. Additionally, maintaining one reporting regime for TSX listed issuers allows investors the ability to better compare the reporting of all TSX listed companies and allows issuers to compare their own results against their peers (we have a relatively small number of TSX listed industry peers and our preference is for us and our investors to be able to compare results with those peers on a consistent basis).

In our experience, there is growing pressure on larger issuers from investors and non-regulatory entities, such as proxy advisory firms, to provide additional disclosure, beyond what applicable corporate and securities law require, on matters such as the composition of an issuer's board, an issuer's governance practices and executive compensation. In practice, there is a 'size-based' distinction on disclosure as smaller issuers may not face the same pressures to provide additional disclosure that larger issuers may face and there should be no need for further sized-based disclosure distinctions.

Part 2.2 – Reducing the regulatory burdens associated with the prospectus rules and offering process

Short form prospectus offering system

We support initiatives that would eliminate or modify existing short form prospectus disclosure requirements that are duplicative or do not provide investors with relevant information. Accordingly, price ranges and trading volumes of securities of public issuers readily available on an issuer's website or online could be removed from required disclosure.

Increasing business acquisition report ("**BAR**") significance thresholds would also simplify disclosure requirements for prospectuses that provide disclosure on proposed significant acquisitions. We expect that issuers would provide detailed disclosure of non-significant

acquisitions in a prospectus. This would provide investors with adequate information regarding any such acquisition, without the more onerous requirements like audited financial statements of the acquired company and pro-forma financial statements required by a BAR.

To further streamline short form prospectus filing requirements, the CSA may consider whether it would be appropriate to require that non-resident directors/signing officers file one non-issuer submission to jurisdiction and appointment of agent for service at the time such director/officer is appointed to the board or becomes an officer, as applicable, that will apply to all security issuances under prospectus financings in the future, subject to a requirement to update information for changes. This would be an alternative to requiring the administrative burden of such submissions to jurisdiction and appointment of agent for each prospectus offering. Additionally, the CSA may consider whether the personal information form ("**PIF**") delivery requirement (in section 4.1(1)(b) of NI 44-101) and confirmation requirement (in section 4.1(2) of NI 44-101) for prospectus offerings is necessary. A prospectus (or documents that are incorporated by reference into a prospectus) will include information on director and executive officer cease trade orders, bankruptcies and penalties or sanctions. Since it generally must provide full, true and plain disclosure, investors will be provided with relevant information regarding directors and executive officers when making an investment decision. Removing the PIF delivery and confirmation requirements would help streamline the offering process without jeopardizing investor protection.

*Facilitating at-the-market ("**ATM**") offerings*

Issuers that have received a receipt for a base shelf prospectus should not be required to obtain exemptive relief for ATM offerings. While we currently have no intention to complete an ATM offering, we believe that access to capital raising alternatives, such as an ATM offering, should not be dependent on obtaining exemptive relief from securities commissions, in particular where such relief has become relatively standard. We suggest that an appropriate process for ATM offerings be codified into securities legislation which would provide for the necessary exemptions to the prospectus delivery requirement and withdrawal rights that issuers seeking exemptive relief request. The conditions for an ATM offering could include: (i) the reporting issuer has filed a prospectus supplement to establish the ATM offering; (ii) the distributions will be completed under an equity distribution agreement with registered dealers; (iii) quarterly reporting of securities under the ATM offering in either financials statements or MD&A; (iv) no ATM distributions if the issuer is in possession of material undisclosed information.

Part 2.3 – Reducing ongoing disclosure requirements

Removing or modifying the criteria to file a BAR

We are supportive of an increase to the significance tests that trigger the BAR filing requirement (e.g., from 20% to 40%). Additionally, the profit or loss significance test could be revised to focus on revenue to avoid insignificant transactions being considered significant. Particularly where either the reporting issuer or acquired business has a loss, the requirement to consider the absolute value may result in relatively insignificant transactions being considered significant.

With respect to disclosure requirements for a significant acquisition under Item 14.2 of 51-102F5, we would be in support of amendments that would allow for BAR type disclosure by a reporting issuer in respect of an issuer it is acquiring as an alternative to prospectus-level disclosure.

Reducing disclosure requirements in annual and interim filings

We would be supportive of removing the quarterly results summary of the eight most recently completed quarters in the MD&A. All such information is available to investors in MD&As from previous periods.

Permitting Semi-Annual Reporting

Many of our peers are U.S. companies that report under the U.S. regulatory regime, which requires quarterly reporting. Unless the U.S. regulatory quarterly reporting rules change, in order to ensure our reporting is comparable to our peers, we would continue to report financial results on a quarterly basis to ensure our investors and prospective investors have access to our financial information on a similar frequency to our peers.

Part 2.4 – Eliminating overlap in regulatory requirements

We are supportive of any initiatives that will eliminate overlapping regulatory requirements. Information regarding financial instruments, critical accounting estimates, changes in accounting policies and contractual obligations are generally included in financial statements and could be removed from MD&A.

Investors would likely benefit from having all information required in an AIF and MD&A and the financial statements included in one document. From a drafting perspective, we may be better able to express the development of our business in a concise manner by consolidating the AIF required disclosure of three-year history with the MD&A required disclosure of an issuer's overall performance for prior periods. The narrative on our overall performance is generally linked to our three-year history, as it makes sense to include such disclosure in one document. Additionally, having the AIF and MD&A in one document would mean that risk factors would be included in one document, which would be beneficial for investors and issuers.

In addition to the potential initiatives that the CSA identified, the CSA may consider whether it would be appropriate to remove the material change report requirement. Material change report disclosure provides information that was previously provided in a press release, and does not provide investors with any additional disclosure. Issuers could be required to incorporate by reference into a prospectus any press release that discloses a "material change" in order to ensure prospectus disclosure remains accurate and investors are provided with appropriate protections.

Part 2.5 – Enhancing electronic delivery of documents

We have used Notice-and-Access for our previous two annual meetings. In our experience, we received a limited number of requests for paper copies of our proxy-materials. While we have received a limited number of requests for paper copies, our view is that mailing our registered and beneficial holders a notice-and-access notification of proxy-material availability will remain essential to investor communications. We would not oppose regulations that would remove the notice-and-access notification mailing requirements; however, we would likely continue to mail notification of proxy-material availability to our registered and beneficial shareholders.

Conclusion

Thank you for the opportunity to comment on the Consultation Paper.

Precision Drilling is pleased that the CSA is considering regulatory reform, and we look forward to any opportunities to provide comments on reforms in the future.

Sincerely,

Carey Ford
Sr. Vice President and Chief Financial Officer