



NOTICE TO MEMBERS

No. 2005 – 048

May, 12, 2005

FINAL CONTRACT ADJUSTMENT PRECISION DRILLING CORPORATION (PD) Stock Split

THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) MEMBERS AND BOURSE DE MONTRÉAL INC. (THE BOURSE) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE AFOREMENTIONED STOCK SPLIT. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY.

The Bourse and CDCC hereby inform you that the shareholders of the Precision Drilling Corporation (Precision Drilling) approved on May 10, 2005, the stock split of Precision Drilling's common shares on a two for one basis.

STOCK SPLIT - details:

- **SPLIT RATIO:** 2 for 1
- **EX-DATE:** May 18, 2005
- **RECORD DATE:** May 20, 2005
- **PAYABLE DATE:** On or about May 31, 2005

Adjustment details:

Pursuant to Terms of Adjustment provided in Section A-902 of the Rules of CDCC, all Precision Drilling options will be adjusted as follows:

- **EFFECTIVE DATE:** May 18, 2005
- **OPTION SYMBOL:** PD
- **NUMBER OF CONTRACTS:** Doubled
- **NEW DELIVERABLE PER CONTRACT:** 100 Precision Drilling common shares

Canadian Derivatives Clearing Corporation
65 Queen Street West 800 Victoria Square
Suite 700 3rd Floor
Toronto, Ontario Montréal, Québec
M5H 2M5 H4Z 1A9
Tel : 416-367-2463 Tel. : 514-871-3545
Fax: 416-367-2473 Fax: 514-871-3530

www.cdcc.ca



- **STRIKE PRICES:** An adjustment will be made for all existing series
- **MULTIPLIER:** 100
- **POSITION AND EXERCISE LIMITS:** Effective May 18, 2005, Position and Exercise Limits will remain unchanged at 75 000 contracts
- **CUSIP :** 74022D100.

CDCC will not adjust any outstanding escrow receipts. Members who want to maintain margin relief for their entire position will be required to deposit additional escrow receipts.

Bourse de Montréal Inc. adjustment details:

It is important to note that on the effective date mentioned above, all open orders on this option class **will not be automatically modified** to reflect the stock split and will therefore have to **be re-entered** into the Montreal Automated System (SAM) by the approved participants.



At the opening of business on the effective date, the Bourse will adjust the strike prices for Precision Drilling (PD) series as indicated below:

Precision Drilling Corporation			
Symbol	Actual Strike Prices	New Strike Prices Effective on Wednesday May 18, 2005	Strike Price Codes
PD	\$ 65.00	\$ 32.50	Z
PD	\$ 67.50	\$ 33.75	A
PD	\$ 70.00	\$ 35.00	G
PD	\$ 72.50	\$ 36.25	Y
PD	\$ 75.00	\$ 37.50	C
PD	\$ 77.50	\$ 38.75	D
PD	\$ 80.00	\$ 40.00	H
PD	\$ 82.50	\$ 41.25	E
PD	\$ 85.00	\$ 42.50	L
PD	\$ 90.00	\$ 45.00	I
PD	\$ 95.00	\$ 47.50	F
PD	\$ 100.00	\$ 50.00	J
PD	\$ 110.00	\$ 55.00	K

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.

For further information, please contact your CDCC's Operations Department.

Caroline Bilodeau
 Legal Counsel
 Secretariat and Legal Affairs