

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

PRECISION DRILLING TRUST
Form 6-K
February 15, 2006

=====

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO SECTION 13A-16 OR 15D-16 OF THE
SECURITIES EXCHANGE ACT OF 1934

February 15, 2006

Commission File Number: 001-14534

PRECISION DRILLING TRUST
(Exact name of registrant as specified in its charter)

4200, 150 - 6TH AVENUE S.W.
CALGARY, ALBERTA
CANADA T2P 3Y7
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1). _____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- N/A

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 15, 2006

PRECISION DRILLING TRUST
By its Administrator PRECISION DRILLING CORPORATION

By: /s/ Darren Ruhr

Name: Darren Ruhr
Title: Vice President, Corporate Services and Corporate Secretary

EXHIBIT TITLE

1 PRESS RELEASE - PRECISION DRILLING TRUST REPORTS RECORD EARNINGS FROM CONTINUING OPERATIONS FOR YEAR AND FOURTH QUARTER, EXCLUDING ONE TIME ITEMS

EXHIBIT 1

N E W S R E L E A S E

[GRAPHIC OMITTED]
[LOGO - PRECISION DRILLING CORPORATION]

NEWS RELEASE

Calgary, Alberta, Canada - February 15, 2006

PRECISION DRILLING TRUST REPORTS RECORD EARNINGS FROM CONTINUING OPERATIONS FOR YEAR AND FOURTH QUARTER, EXCLUDING ONE TIME ITEMS

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

Precision Drilling Trust ("Precision" or the "Trust") today reports results for the year and quarter ended December 31, 2005. Diluted earnings per unit from continuing operations were \$0.96 in the fourth quarter of 2005 compared to \$0.49 in 2004. Diluted earnings per unit from continuing operations benefited from a lower effective tax rate and were reduced by \$0.53 in the fourth quarter of 2005 as a result of a number of one time items. The first item is an incremental \$6.4 million in expenses regarding the repayment of outstanding debentures, the second is the \$50.7 million market value adjustment to the shares of Weatherford International Ltd. ("Weatherford") received on the sale of the Energy Services and International Contract Drilling divisions and the third is the \$17.5 million in reorganization costs to effect the conversion to an income trust pursuant to a plan of arrangement. For the full year ended December 31, 2005, diluted earnings per unit from continuing operations were \$1.76 compared to \$1.61 in 2004. Diluted earnings per unit from continuing operations was reduced by \$1.04 for the full year in 2005 as a result of expenses related to the premium on repayment of the debentures, the loss on disposition of Weatherford shares and the reorganization costs.

Excluding one time items related to the recent business divestitures and reorganization activities, diluted earnings per unit from continuing operations in the fourth quarter of 2005 was \$1.49 compared to \$0.49 in 2004. This \$1.00 per unit increase represents a 204% improvement due to the increase in demand and underlying profit margins for all of Precision's Canadian oilfield service offerings, lower interest expense with repayment of outstanding debentures and lower income tax expense with the conversion to an income trust during the fourth quarter. For the full year ended December 31, 2005 diluted earnings per unit from continuing operations, excluding one time items, was \$2.80 compared to \$1.61 in 2004. This \$1.19 per unit increase represents a 74% improvement due to factors previously discussed, most of which was realized in the second half of 2005. These full year results were generated from an underlying asset base for continuing operations that was only marginally larger in size on a year over year basis.

Precision is pleased to acknowledge the successful conversion of the continuing assets and businesses of Precision Drilling Corporation ("PDC") to an income trust on November 7, 2005 pursuant to a plan of arrangement. The purpose of the arrangement was to convert continuing operations from a corporate structure to an income trust structure and to facilitate the receipt of Weatherford shares and the special cash payment by shareholders. Noteworthy developments resulting from the arrangement include the following:

2

- 1) Holders of common shares of PDC, excluding dissenting shareholders, received in exchange for each common share of PDC held (i) one unit of the Trust, (ii) 0.2089 common shares of Weatherford International Ltd., and (iii) \$6.83 of cash. As a result, the Trust issued 122,512,799 trust units, distributed Weatherford shares valued at \$2.007 billion in the aggregate and made a special cash payment totaling \$0.844 billion. The Trust cancelled 817,005 common shares of PDC owned by dissenting shareholders through repurchase consideration paid in the amount of \$43.3 million.
- 2) The Trust, as the successor in interest to PDC, has been accounted for as a continuity of interest. Commencing with the fourth quarter the consolidated financial statements of the Trust for the year ended December 31, 2005 and comparables for the three and twelve month periods ended December 31, 2004 reflect the financial position, results of operations and cash flows as if the Trust had always carried on the business formerly carried on by PDC.
- 3) Shareholders were also given the opportunity to receive limited partnership

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

units ("Exchangeable LP Units") of Precision Drilling Limited Partnership exchangeable without further consideration into trust units on a one-for-one basis. An aggregate of 1,108,382 Exchangeable LP Units were issued in lieu of trust units. The Exchangeable LP Units have been accounted for as equity and included with outstanding unitholders' capital of the Trust in reporting fully diluted earnings.

RESULTS OF CONTINUING CANADIAN OPERATIONS

Revenue of \$427.9 million and operating earnings of \$175.9 million increased by 36% and 54% respectively in the fourth quarter of 2005 compared to the same period of 2004. For the full year of 2005, revenue of \$1,269.2 million and operating earnings of \$465.4 million increased by 23% and 40% respectively over 2004. All business units performed exceptionally well and contributed higher operating earnings leading to a record quarter for Precision. The increase in operating earnings is attributable to higher equipment utilization and strong, year over year, customer pricing. Consistent with the third quarter results, the pace of operating cost escalation was well contained.

Gene Stahl, President and Chief Operating Officer, noted that "To start the first quarter of 2006, Precision will continue to benefit from the pricing leverage and demand established in the fourth quarter of 2005. While demand for our services is remaining very strong, the additional supply of industry equipment and recent softening of natural gas commodity pricing in North America may serve to weaken the favourable equipment demand versus supply imbalance that currently exists. Nonetheless, our people, our passion, our performance is showing through as we work to improve and deliver value to our customers."

Precision's continuing operations are reported in two segments. The Contract Drilling Services segment contains our contract drilling rig, camp and catering, oilfield supply, and manufacturing divisions. The Completion and Production Services segment contains our service rig, snubbing and rental divisions.

3

THREE MONTHS ENDED DECEMBER 31

| | 2005 | 2004 | % Change |
|---|------------|------------|----------|
| ----- | | | |
| Contract Drilling Services: | | | |
| Number of drilling rigs (end of period) | 230 | 229 | 0.4 |
| Drilling operating days | 14,350 | 12,099 | 18.6 |
| Drilling revenue per operating day | \$ 19,700 | \$ 17,624 | 11.8 |
| Completion and Production Services: | | | |
| Number of service rigs (end of period) | 237 | 239 | (0.8) |
| Service rig operating hours | \$ 142,122 | \$ 127,693 | 11.3 |
| Service revenue per operating hour | \$ 679 | \$ 553 | 22.8 |

YEAR ENDED DECEMBER 31

| | 2005 | 2004 | % Change |
|---|------|------|----------|
| ----- | | | |
| Contract Drilling Services: | | | |
| Number of drilling rigs (end of period) | 230 | 229 | 0.4 |

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

| | | | |
|---|------------|------------|-------|
| Drilling operating days | 46,937 | 41,625 | 12.8 |
| Drilling revenue per operating day | \$ 18,034 | \$ 16,494 | 9.3 |
| Completion and Production Services: | | | |
| Number of service rigs (end of period) | 237 | 239 | (0.8) |
| Service rig operating hours | \$ 477,232 | \$ 472,008 | 1.1 |
| Service revenue per operating hour | \$ 600 | \$ 513 | 17.0 |

=====
 Contract drilling rig demand during the fourth quarter of 2005 reached unprecedented levels with 229 out of 230 drilling rigs active. The 14,350 operating days for the quarter establishes a new high for a fourth quarter surpassing the previous high in 1997 when 13,983 days were achieved. At that time, Precision had 206 drilling rigs out of an industry total of 487, whereas today Precision has 230 out of approximately 767. Generally, weather conditions were favourable despite temperatures that were warmer than normal. The unseasonably warm weather temperatures and dry conditions were ideal after coming out of an extremely wet spring and early summer. Certain customers were able to extend their summer drilling programs and mitigate land expiry issues. It also served certain customers who did not have rigs reserved for the winter and required windows to complete projects as some rigs were delayed moving farther north in the Western Canada Sedimentary Basin (WCSB).

Precision's service rig fleet achieved 142,122 operating hours for 65% utilization in the fourth quarter, an 11% increase compared to the fourth quarter of 2004. The improvement is a result of strong demand as customers attempt to keep their production maintenance on schedule. In addition, completion work was strong due to record drilling activity in combination with pent up demand from weather delays in the first half of the year. The southern and eastern areas of the WCSB experienced Precision's largest increase in operating hours over the prior year.

4

Both operating segments reported significant fourth quarter revenue increases year over year. Completion and Production's 35% increase was essentially a match with Contract Drilling's 36% increase. Higher pricing for Completion and Production Services made up for the smaller increase in equipment utilization, relative to Contract Drilling Services.

Operating costs were lower as a percentage of revenue despite crew wage rate increases of approximately 7% effective October 1, 2005. Operating expenses declined from 51% of revenue in the fourth quarter of 2004 to 45% in 2005. Consistent with third quarter 2005 results, equipment repair and maintenance expenses were lower on a per day basis as scheduled costs were spread over a higher activity level relative to last year. In addition, operating expenses have not increased to the same magnitude as customer pricing.

General and administrative costs for the fourth quarter were slightly higher than the same period in 2004. As a percentage of revenue, general and administrative costs fell to 4.7% from 6.1%.

Depreciation expense in the fourth quarter of 2005 remained relatively consistent as the impact of increased activity was offset by the change in the estimated useful life of drilling rigs from 4,150 to 5,000 utilization days effective January 1, 2005. Depreciation expense was offset by higher gains on the disposal of certain assets in the amount of \$1.3 million relative to 2004.

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

On a full year over year basis, both 2005 and 2004 recorded a gain of \$3.6 million on the disposal of property, plant and equipment assets.

Discontinued operations, net of tax, amounted to a loss of \$37.3 million in the fourth quarter of 2005 and a gain of \$1.410 billion for the year. The current quarter loss related to purchase consideration and income tax adjustments.

DISTRIBUTION POLICY OF THE TRUST

With PDC's conversion to an income trust effective November 7, 2005, the Trust has adopted a policy of making regular monthly cash distributions to unitholders. As previously disclosed in the Information Circular, distributions may be reduced, increased or suspended entirely depending on the operations of Precision and the performance of its assets. The actual cash flow available for distribution to trust unitholders and holders of Exchangeable LP Units is a function of numerous factors, including the Trust's:

- o financial performance;
- o debt covenants and obligations;
- o working capital requirements;
- o maintenance and expansion capital expenditure requirements for the purchase of property, plant and equipment; and
- o number of units outstanding.

The Trust considers these factors on a monthly basis and made its first payment in the month of December in the amount of \$33.9 million at the rate of \$0.27 for each of the units outstanding, including Exchangeable LP Units. At December 31, 2005 there were 125,461,303 Trust and Exchangeable LP Units outstanding.

5

Key factors for consideration in determining actual cash flow available for distribution, in a historical context, are disclosed within the financial statements and on the Consolidated Statement of Cash Flow. The increase or decrease in cash is shown for each of the operating, investing and financing activities undertaken by the Trust.

- o Within operating activities, fourth quarter 2005 cash provided by continuing operations amounted to a use of \$48.7 million. In terms of financial performance based upon cash provided by continuing operations before changes in non-cash working capital balances, a use of \$163.4 million, and the premium on redemption of debentures, a use of \$65.5 million, cash in the amount of \$180.2 million was provided by operations.
- o Within investing activities, the purchase of property, plant and equipment (PPE) during the fourth quarter of 2005 for continuing operations amounted to \$44.8 million. Included in this amount is \$17.2 million for the construction of new drilling rigs. For the full year of 2005, PPE purchases amounted to \$155.2 million and included \$63.0 million for expansion capital expenditures to grow and expand Precision's underlying asset base and \$92.2 for maintenance capital expenditures to sustain and upgrade existing PPE.

The energy services industry in Canada can be extremely cyclical as commodity price fluctuations can be compounded by seasonal trends. Accordingly, there

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

could be a wide fluctuation in financial performance from quarter to quarter, year over year.

CERTAIN STATEMENTS CONTAINED IN THIS PRESS RELEASE, INCLUDING STATEMENTS THAT CONTAIN WORDS SUCH AS "ANTICIPATE", "COULD", "SHOULD", "MAY", "EXPECT", "BELIEVE", "WILL" AND SIMILAR TERMS ARE NOT HISTORICAL FACTS AND ARE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933 AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934. SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF PRECISION TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCES OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. SUCH FACTORS INCLUDE FLUCTUATIONS IN THE MARKET FOR OIL AND NATURAL GAS AND RELATED PRODUCTS AND SERVICES; COMPETITION; POLITICAL AND ECONOMIC CONDITIONS IN COUNTRIES IN WHICH PRECISION DOES BUSINESS; THE DEMAND FOR SERVICES PROVIDED BY PRECISION; CHANGES IN LAWS AND REGULATIONS, INCLUDING ENVIRONMENTAL REGULATIONS, TO WHICH PRECISION IS SUBJECT AND OTHER FACTORS, WHICH ARE DESCRIBED IN FURTHER DETAIL IN PRECISION'S FILINGS WITH CANADIAN SECURITIES REGULATORS AND THE US SECURITIES AND EXCHANGE COMMISSION.

6

CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS (DEFICIT)

| CDN \$000'S, EXCEPT PER UNIT AMOUNTS | THREE MONTHS ENDED DECEMBER 31 | |
|---|-----------------------------------|-------------|
| | 2005 | 2004 |
| | (UNAUDITED) | (unaudited) |
| Revenue | \$ 427,861 | \$ 313,978 |
| Expenses: | | |
| Operating | 192,111 | 160,055 |
| General and administrative | 19,902 | 19,198 |
| Depreciation and amortization | 19,465 | 21,620 |
| Foreign exchange | 2,974 | (774) |
| Reorganization costs | 17,512 | - |
| | 251,964 | 200,099 |
| Operating earnings | 175,897 | 113,879 |
| Interest | (297) | 15,127 |
| Premium on redemption of bonds | 6,402 | - |
| Loss on disposal of short-term investments | 50,730 | - |
| Gain on disposal of investments | - | (2,325) |
| Earnings from continuing operations before income taxes | 119,062 | 101,077 |
| Income taxes: | | |
| Current | 25,103 | 8,706 |
| Future | (26,918) | 31,789 |

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

| | | | |
|---|--------------|--------------|----|
| | (1,815) | 40,495 | |
| Earnings from continuing operations | 120,877 | 60,582 | |
| Discontinued operations, net of tax | (37,331) | 27,601 | |
| Net earnings | 83,546 | 88,183 | |
| Retained earnings, beginning of period | 2,569,959 | 953,500 | |
| Adjustment on cash purchase of employee stock options, net of tax | (23,346) | - | |
| Reclassification from contributed surplus on purchase of employee stock options | 23,215 | - | |
| Distribution of disposal consideration | (2,851,784) | - | |
| Repurchase of common shares of dissenting shareholders | (34,364) | - | |
| Distributions | (70,510) | - | |
| Retained earnings (deficit), end of period | \$ (303,284) | \$ 1,041,683 | \$ |
| Earnings per unit from continuing operations: | | | |
| Basic | \$ 0.97 | \$ 0.50 | \$ |
| Diluted | \$ 0.96 | \$ 0.49 | \$ |
| Earnings per unit: | | | |
| Basic | \$ 0.67 | \$ 0.73 | \$ |
| Diluted | \$ 0.66 | \$ 0.71 | \$ |
| Trust units outstanding (000's) | 125,461 | 121,580 | |
| Weighted average units outstanding (000's) | 124,862 | 121,516 | |
| Diluted units outstanding (000's) | 126,047 | 123,352 | |

7

CONSOLIDATED BALANCE SHEETS

| CDN \$ 000'S | DECEMBER 31 2005 | December 31 2004 |
|--|---------------------|---------------------|
| | (UNAUDITED) | (unaudited) |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ - | \$ 122,012 |
| Accounts receivable | 500,655 | 309,292 |
| Inventory | 7,035 | 7,734 |
| Assets of discontinued operations | - | 497,036 |
| | 507,690 | 936,074 |
| Property, plant and equipment, net of accumulated depreciation | 943,900 | 897,584 |
| Intangibles, net of accumulated amortization | 465 | 498 |

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

| | | |
|-----------------------------------|--------------|--------------|
| Goodwill | 266,827 | 266,827 |
| Other assets | - | 9,116 |
| Assets of discontinued operations | - | 1,741,950 |
| | <hr/> | <hr/> |
| | \$ 1,718,882 | \$ 3,852,049 |
| | <hr/> | <hr/> |

LIABILITIES AND UNITHOLDERS' EQUITY

Current liabilities:

| | | |
|--|-----------|---------|
| Bank indebtedness | \$ 20,468 | \$ - |
| Accounts payable and accrued liabilities | 134,303 | 120,432 |
| Income taxes payable | 163,530 | 13,624 |
| Distributions payable | 36,635 | - |
| Liabilities of discontinued operations | - | 244,707 |
| | <hr/> | <hr/> |
| | 354,936 | 378,763 |

| | | |
|--|---------|---------|
| Long-term debt | 96,838 | 718,850 |
| Future income tax liability | 192,517 | 354,268 |
| Liabilities of discontinued operations | - | 78,427 |

Unitholders' equity:

| | | |
|-----------------------------------|-----------|-----------|
| Unitholders' capital | 1,377,875 | 1,274,967 |
| Contributed surplus | - | 26,024 |
| Cumulative translation adjustment | - | (20,933) |
| Retained earnings (deficit) | (303,284) | 1,041,683 |
| | <hr/> | <hr/> |
| | 1,074,591 | 2,321,741 |

\$ 1,718,882 \$ 3,852,049

| | | |
|---|---------|---------|
| Trust units outstanding (000's) | 125,461 | 121,580 |
| Common share purchase options outstanding (000's) | - | 6,695 |

8

CONSOLIDATED STATEMENTS OF CASH FLOW

THREE MONTHS ENDED
DECEMBER 31

| CDN \$000's | 2005 (UNAUDITED) | 2004 (unaudited) | (U |
|-------------------------------------|---------------------|---------------------|----|
| Cash provided by (used in): | | | |
| Continuing operations: | | | |
| Earnings from continuing operations | \$ 120,877 | \$ 60,582 | \$ |
| Items not affecting cash: | | | |
| Depreciation and amortization | 19,465 | 21,620 | |
| Stock-based compensation | 3,953 | 2,628 | |
| Gain on disposal of investments | - | (2,325) | |
| Future income taxes | (26,918) | 31,789 | |
| Premium on redemption of bonds | (65,483) | - | |

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

| | | | |
|--|-------------|------------|----|
| Loss on disposal of short-term investments | 50,730 | - | |
| Write off of deferred financing costs | 7,664 | - | |
| Amortization of deferred financing costs | 79 | 434 | |
| Unrealized foreign exchange gain(loss) on long-term monetary items | 4,320 | (100) | |
| Changes in non-cash working capital balances | (163,429) | (83,709) | |
| | (48,742) | 30,919 | |
| Discontinued operations: | | | |
| Funds provided by (used in) discontinued operations | \$ (12,547) | \$ 63,701 | \$ |
| Changes in non-cash working capital balances of discontinued operations | (16,760) | 44,405 | |
| | (29,307) | 108,106 | |
| Investments: | | | |
| Business acquisitions | - | (19,812) | |
| Purchase of property, plant and equipment | (44,840) | (40,462) | |
| Purchase of intangibles | - | - | |
| Proceeds on sale of property, plant and equipment | 6,897 | 1,593 | |
| Purchase of property, plant and equipment of discontinued operations | - | (49,152) | |
| Purchase of intangibles of discontinued operations | - | (6) | |
| Proceeds on sale of property, plant and equipment of discontinued operations | - | 3,730 | |
| Proceeds on disposal of short-term investments | 14,569 | 2,788 | |
| Proceeds on disposal of discontinued operations | 519 | - | 1 |
| Investments | - | (90) | |
| | (22,855) | (101,411) | 1 |
| Financing: | | | |
| Increase in long-term debt | 96,826 | - | |
| Repayment of long-term debt | (703,958) | (3) | |
| Deferred financing costs on long-term debt | - | - | |
| Distribution of disposal proceeds | (844,334) | - | |
| Distributions | (33,875) | - | |
| Repurchase of common shares of dissenting shareholders | (43,299) | - | |
| Cash buy-out of employee stock options | (35,583) | - | |
| Issuance of trust units on exercise of options | 8,263 | - | |
| Issuance of trust units on purchase of options | 5,504 | - | |
| Issuance of common shares on exercise of options | 33,408 | 5,006 | |
| Issuance of common shares, net of cash | - | (27) | |
| Changes in non-cash working capital balances | 12,237 | - | |
| Change in bank indebtedness | 20,468 | - | |
| | (1,484,343) | 4,976 | (1 |
| Increase (decrease) in cash and cash equivalents | (1,585,247) | 42,590 | |
| Cash and cash equivalents, beginning of period | 1,585,247 | 79,422 | |
| Cash and cash equivalents, end of period | \$ - | \$ 122,012 | \$ |

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

9

SEGMENT INFORMATION

| THREE MONTHS ENDED DECEMBER 31, 2005 CDN \$000's (unaudited) | Contract Drilling | Completion & Production | Corporate and Other |
|---|----------------------|----------------------------|------------------------|
| Revenue | \$ 307,941 | \$ 123,896 | \$ - |
| Operating earnings | 155,477 | 50,833 | (30,413) |
| Depreciation and amortization | 11,386 | 7,275 | 804 |
| Total assets | 1,159,687 | 486,701 | 72,494 |
| Goodwill | 172,440 | 94,387 | - |
| Capital expenditures* | 35,668 | 7,047 | 2,125 |
| ----- | | | |
| THREE MONTHS ENDED DECEMBER 31, 2004 CDN \$000's (unaudited) | Contract Drilling | Completion & Production | Corporate and Other |
| Revenue | \$ 225,865 | \$ 91,680 | \$ - |
| Operating earnings | 98,935 | 27,145 | (12,201) |
| Depreciation and amortization | 12,696 | 7,528 | 1,396 |
| Total assets (1) | 971,863 | 461,191 | 180,009 |
| Goodwill | 172,440 | 94,387 | - |
| Capital expenditures* | 24,638 | 12,377 | 3,447 |
| ----- | | | |
| YEAR ENDED DECEMBER 31, 2005 CDN \$000's (unaudited) | Contract Drilling | Completion & Production | Corporate and Other |
| Revenue | \$ 916,221 | \$ 369,667 | \$ - |
| Operating earnings | 404,385 | 121,643 | (60,650) |
| Depreciation and amortization | 39,233 | 27,402 | 4,926 |
| Total assets | 1,159,687 | 486,701 | 72,494 |
| Goodwill | 172,440 | 94,387 | - |
| Capital expenditures* | 106,986 | 34,576 | 13,689 |
| ----- | | | |
| YEAR ENDED DECEMBER 31, 2004 CDN \$000's (unaudited) | Contract Drilling | Completion & Production | Corporate and Other |
| Revenue | \$ 727,710 | \$ 313,386 | \$ - |
| Operating earnings | 282,315 | 77,074 | (28,076) |
| Depreciation and amortization | 42,245 | 27,508 | 5,076 |
| Total assets(1) | 971,863 | 461,191 | 180,009 |
| Goodwill | 172,440 | 94,387 | - |
| Capital expenditures* | 74,975 | 31,759 | 15,958 |

(1) excludes assets of discontinued operations

* excludes business acquisitions and capital expenditures of discontinued

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

operations

10

CANADIAN DRILLING OPERATING STATISTICS

| | FOR THE YEARS ENDED DE | | | |
|--|------------------------|-----------|----------------|--------|
| | 2005 | | | |
| | Precision | Industry* | Market Share % | Precis |
| Number of drilling rigs | 230 | 752 | 30.6 | |
| Number of operating days (spud to release) | 46,937 | 158,286 | 29.7 | 41, |
| Wells drilled | 7,766 | 24,351 | 31.9 | 7, |
| Average days per well | 6.0 | 6.5 | | |
| Metres drilled (000's) | 8,901 | 28,143 | 31.6 | 8, |
| Average metres per day | 190 | 178 | | |
| Average metres per well | 1,146 | 1,158 | | 1, |
| Rig utilization rate (%) | 56.1 | 59.6 | | 5 |

* Excludes non-CAODC rigs.

A conference call to review the year-end results has been scheduled for 12:00 noon MST on Wednesday, February 15, 2006. The conference call dial-in number is 1-800-814-4861 or 416-644-3414.

A live webcast will be accessible at www.precisiondrilling.com by selecting Investor Relations, then Webcast. An archived recording of the conference call will be available approximately one hour after the completion of the call until February 22, 2006 by dialing 1-877-289-8525 or 416-640-1917, passcode 21172565#.

Precision Drilling Trust is Canada's largest energy services trust. Headquartered in Calgary, Alberta, it is the leading provider energy services to the Canadian oil and gas industry. Precision provides customers with access to an extensive fleet of contract drilling rigs, service rigs, camps, snubbing units and rental equipment backed by a comprehensive mix of technical support services and skilled, experienced personnel.

PRECISION IS LISTED ON THE TORONTO STOCK EXCHANGE UNDER THE TRADING SYMBOL "PD.UN" AND IN U.S. DOLLARS "PD.U" AND ON THE NEW YORK STOCK EXCHANGE UNDER THE TRADING SYMBOL "PDS".

FOR FURTHER INFORMATION PLEASE CONTACT DOUG STRONG, CHIEF FINANCIAL OFFICER OF PRECISION DRILLING CORPORATION, ADMINISTRATOR OF THE TRUST, 4200, 150 - 6TH AVENUE S.W., CALGARY, ALBERTA T2P 3Y7, TELEPHONE (403) 716-4500, FAX (403) 264-0251; WEBSITE: WWW.PRECISIONDRILLING.COM.

4200, 150 - 6th Avenue S.W.
 Calgary, Alberta, Canada T2P 3Y7
 Telephone: 403.716.4500
 Facsimile: 403.264.0251
www.precisiondrilling.com