



Meeting Minutes
IADC Accounting Issues/Procedures Committee
20 June 2013, 2-4pm
Transocean
4 E. Greenway Plaza, Room C-100, Houston, Texas 77046

Agenda Item: Next meeting date and location

Tommy Darby, EnSCO, has offered to host the next quarterly meeting on September 19, 2013 from 2 to 5 p.m. at 5847 San Felipe St., Suite 330, Houston, TX 77057.

Note: Anti-Trust Statement

It is the policy of IADC committees that no discussion of any specific proprietary information will be exchanged. It is also strictly forbidden that any promotion of or solicitation for participation in agreements between IADC members be allowed.

Agenda Item: Presentation and continuing education – Industry impact of proposed lease accounting standards update

Mark Pollock and Chelsea Hendrickson from PricewaterhouseCoopers presented a 90 minute session of continuing education regarding the proposed changes in the recently released lease accounting exposure draft. The current exposure draft was issued in May 2013 and responses are due by September 13, 2013. The proposed accounting standards will require significant judgment and periodic reevaluation and remeasurement. Depending on the interpretation as to its application to the drilling industry, this accounting standards update could have significant impact on accounting in the drilling industry. Following the presentation, committee members agreed to have a focus session in August to discuss preparation of responses to the board.

Agenda Item: Cash and cash equivalents – fair value measurement classifications

The committee members discussed the assessment of cash and cash equivalents and whether they should be classified as level one or level two fair value measurements. Some members indicated that the accounting firm required classification, where others were not required to classify the measurement and simply describe the carrying amount as approximating fair value.

Agenda Item: Amortization policy – deferred shipyard costs and deferred mobilization costs through operating and maintenance expense or through depreciation and amortization?

Various committee attendees discussed the presentation of amortization of these deferred costs and determined that all meeting participants presented such amortization costs in operating and maintenance.

Agenda Item: New Matters

Topic 1: XBRL and webfilings

The committee members briefly discussed the use of service providers, including webfilings, for tagging financial statements.

The committee meeting was adjourned after full discussion of these matters.

Attendance:

Name		Company Name
Trish	Gerber	Atwood Oceanics
Katie	Cunningham	Atwood Oceanics
Janelle	Flores	Diamond Offshore

Beth	Gordon	Diamond Offshore
Tommy	Darby	Ensco plc
Luis	Lopez	IADC
Josh	Sanchez	IADC
Anne	Spyhalski	Noble Drilling Services Inc
Todd	McElreath	Noble Drilling Services Inc
Alison	Vasquez	Noble Drilling Services Inc
Scott	Davis	Noble Drilling Services Inc
Paul	Reese	Pacific Drilling
Barry	Huntsman	Patterson UTI
Li	Xu	Precision Drilling Oilfield Services
Celia	Zamarripa	Rowan Companies
Nick	Postolos	Rowan Companies
Scott	McReaken	Seadrill Americas
Phillip	Rider	Sidewinder Drilling
David	Meliza	Transocean