



Meeting Minutes
IADC Accounting Issues/Procedures Committee
16 November 2017, 2-4pm
International Association of Drilling Contractors
10370 Richmond Ave., Ste. 760, Houston, TX 77042

Agenda Item: Next meeting & Location

IADC has offered to host the next quarter's meeting on March 22, 2018, from 2 to 4 P.M. at 10370 Richmond Ave., Ste. 760, Houston, TX 77042. The next meeting of the Revenue Recognition and Lease Sub-Committee will be held on December 14, 2017 at 2 to 4 P.M. at IADC offices.

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: "Election of AIP Chairman and Vice Chairman for 2018" Kelly Bludau (Parker Drilling), Chair, was unanimously re-elected for a second term. Colleen Grable (EnSCO), Vice Chair and Sub-Committee Chair, was re-elected for a second term by unanimous vote.

Agenda Item: "Update from revenue recognition and lease subcommittee"

Colleen Grable, Chair of the Revenue Recognition and Lease Subcommittee, discussed with the committee whether to send a letter to the SEC prior to the FASB's webcast scheduled for November 29, 2017, regarding the allocation of revenue between service and lease revenue and to obtain further clarification on the topic. The committee unanimously agreed the letter should be sent to the SEC.

Agenda Item: "ERP Support" The committee briefly discussed the topic. Maintenance costs and updates are expensive and sometimes are available from other suppliers at a cost savings.

Agenda Item: "Other business - New Matters" The committee briefly discussed the topic of inventory obsolescence. Some stated that they use a 5 to 7 year basis of allowing for obsolescence. Some members stated that they use annual review to establish the allowance. Some stated that they provide an allowance up to 90%, which would allow for scrap value.

After a full discussion of the agenda topics, the committee was adjourned.

Attendees:

Name		Company Name
Melissa	Barron	DIAMOND OFFSHORE
Colleen	Grable	ENSCO PLC
Derek	Sample	ENSCO PLC

Kristen	Nunez	ENSCO PLC
Dean	Gant	IADC
Bryce	Klug	NOBLE DRILLING
Edward	Wong	PACIFIC DRILLING
Kelly	Bludau	PARKER DRILLING
Wayne	Fox	PARKER DRILLING
Mark	Todd	PARKER DRILLING
Sauers	Bruce	PATTERSON UTI
Jeff	Courtright	SHELF DRILLING
David	Meliza	TRANSOCEAN
Kristie	Ondracek	XTREME DRILLING CORPORATION