

# International Association of Drilling Contractors



## Supply Chain Committee Meeting

15 May 2019

1.00pm - 3.00pm

IADC

3657 Briarpark Drive, Suite 200  
Houston, Texas 77042

## Minutes

**Call to Order:** The Chairman (Mike Curtis) welcomed everyone in attendance to the Supply Chain Meeting.

Thad Dunham, Director – Government & Industry Affairs with IADC introduced himself. He just joined the offshore side of IADC and will be working with the Supply Chain Committee going forward.

### **Safety Briefing/ Anti – Trust Guidelines/Administration**

Thad provided the emergency response information, including muster points. He also reviewed the Anti-Trust Guidelines; wherein he emphasized the core of anti-trust law, and the required refrain from discussing pricing, dividing, allocating, or boycotting suppliers or potential suppliers. Mike Curtis added that there should be no poaching of personnel during the meetings.

### **General Introductions & Agenda Review**

Attendees introduced themselves. Jim Rocco with IADC attended remotely from London via teleconference. The agenda for the meeting was shared by the Chairman.

### **Supplier Performance Sub-Committee Update**

- Stephen Elliot provided the supplier performance update
- The sub-committee met with four suppliers (MH Wirth, NOV, GE, and Cameron) as a group to review the request for performance metrics. Following this meeting, the sub-committee held a call with each of the suppliers individually
- NOV had a concern that partial shipments could negatively impact their on-time delivery metric. A member raised the point that this metric is calculated at the line item level. The committee agreed to respond to NOV with this point (ACTION)
- There is some variance in the amount of buffer time used to calculate the metrics. Pacific Drilling uses 14 days, Nabors is using 5 days. It was agreed that variance in buffer is acceptable.
- Stephen will poll the broader committee as to what the next group of target suppliers should be (ACTION)

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- The sub-committee will ask the suppliers what they think their goal should be for the OTD metric, and will benchmark off of that (ACTION)

## Inventory Sub-Committee Update

- Andy Rennie led the discussion
- The sub-committee solicited four OEMs for feedback, and received feedback from three on the two questions sent
- The sub-committee reviewed the responses to the questions:
  - Question 1 – Pertains to OEMs labeling elastomers with expiration dates that are different (less than) the OPM
  - Question 2 – Pertains to extending the shelf life of elastomers provided that drillers meet certain defined storage conditions
- The group discussed next steps, and agreed that the sub-committee should draft a document with elastomers guidelines that members could reference on POs. This document to be circulated within the committee for feedback (ACTION)
- Inventory sharing
  - Not much movement since the last meeting. Seeking a second vice chairman to lead this piece, as was authorized during last quarter's meeting (ACTION)
  - Considered an idea to make it easier to query other drilling contractors for parts, i.e. rig down email. No follow-up required.
  - It was agreed that it would be helpful to have more capital items on the list
  - It would be helpful for drilling contractors to refresh their list of inventory. The sub-committee should push this (ACTION)
  - It was discussed inviting OEMs to publish their surplus lists to the Committee in standard format on a consolidated Excel sheet. This should be further explored by the sub-committee (ACTION)

## Other Topics

- No update was provided by the Southeast Asia Chapter. Tom Steiner to follow-up (ACTION)
- Mike Curtis announced his resignation and impending departure from Pacific Drilling. Mike resigned his Chairmanship of the committee, and turned this position over to Tom Steiner. There were no objections
- Brad Green nominated himself as Vice Chairman. This motion was approved by the committee.
- Tom Steiner announced his intention to depart EnscoRowan in October, and notified the committee that he may in the future resign from the Chairmanship should his employment within the contract drilling industry end

## Next Meeting Date and Venue:

**1:00PM – 3:00 PM Wednesday 14<sup>th</sup> August, 2019, IADC Offices (3657 Briarpark Drive)**

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**Attendance:**

<b>Name</b>		<b>Company Name</b>
Jorge	Lebrija	<b>ENSCOROWAN</b>
Tom	Steiner	<b>ENSCOROWAN</b>
Brad	Green	<b>ENSCOROWAN</b>
Thad	Dunham	<b>IADC</b>
Brian	Wolf	<b>NOBLE DRILLING (U.S.) LLC</b>
Esperanza	Reyna	<b>PARKER DRILLING</b>
Stephen	Elliott	<b>PATTERSON-UTI</b>
Mike	Curtis	<b>PACIFIC DRILLING</b>
Andy	Rennie	<b>TRANSOCEAN</b>
Luis	Peña	<b>KERUI</b>
Tami	Nutley	<b>PARKER DRILLING</b>