

Meeting Minutes
IADC Contracts Committee Meeting
15 May 2020 - 0900 – 1040 hours
Video Conference due to COVID-19



In attendance via video conference:

Tyler Smith – Nabors (TS) – (Interim) Chairman
Dave Faure – Transocean (DF)
Scott Gordon – H&P (SG)
John Kilburn – Transocean (JK)
Ron Potter – Transocean (RP)
Suzanne Davies – Ensign (SD)
Tom Horton – Ensign
Ron Mallams – Valaris (RM)
Mike DuBose – IADC Committee Liaison (MD)
Apologies – David Odom Harris – Patterson UTI (DOH)

Welcome

Tyler Smith (TS), Committee Chair - Nabors opened the meeting at 0900, welcomed the group and thanked everyone for being available. TS explained that due to the COVID-19 Pandemic, this meeting would be conducted via videoconference only. TS expressed his concern and best wishes for the workforce of the companies represented and to those colleagues and their families.

General Antitrust Guidelines for IADC Members

TS & Mike DuBose (MD) reminded the attendees of the IADC General Antitrust Guidelines. Reviewed the housekeeping information and offered a Safety Moment for the group.

Approval of the Proposed Meeting Agenda

TS proposed the members accept the meeting agenda as offered in the pre-read materials, motion seconded by SG. Agenda approved by acclamation.

Approval of the Minutes of the previous committee meeting on 31 January 2020.

TS proposed the members accept the minutes of the previous meeting of 31 January 2020, as offered in the pre-read material. Motion was made by DF, seconded by MD, and the minutes approved by acclamation.

Status of a Voting Quorum

MD advises the Chair (TS) that the committee does have a quorum of members present to hold a binding vote on pending matters, should the need arise.

Update on Various IADC/Committee Initiatives

MD advised members of the work ongoing to revise the IADC HSE Guidelines for Land Drilling units. **Initial draft of Part 4, Rev 2 issued for review by Core Workgroup members. Revision 2 expected to be finalized +/- July 1 for further review. MD advised that due to the global COVID-19 Pandemic and other pressing member company and workforce matters have overtaken the review of the Rev. 2 Draft. Dave Martin of Marriott Drilling (UK) is still chairing this work. MD will attempt to revive the effort with Dave.**

Amicus Brief Reports

The Contracts Committee is currently engaged in 1 Amicus Brief project for IADC Members.

- a) Our Brazilian Chapter has received approval and consent to proceed with an Amicus Brief regarding the reapportionment of royalties from oil & gas offshore resources to inland states vs. current distribution only amongst coastal states. The project lead is our Brazilian Chapter Secretary – Attorney Leandro Luzone. The case has been slowed due to the pandemic. IADC was offered a video conference hearing for the case. After some discussion it was determined that our case could best be made in person, so we declined the video option. Currently the case is anticipated to be heard before the Brazilian Superior Court late August/early Sept. 2020. **MD to monitor the status of the case.**

Status of Revision to IADC Model Offshore Daywork Contract.

Model Contracts: Update of IADC Model Contract – Offshore International

- Ron Potter (Lead) has worked with Haynes & Boone counsel to develop changes to the model contract to reflect
 - i) Revision will be under English Law.
- Ron has a first draft and review is underway. Ron will work with Dave Faure (Co-Lead) for review and content contribution, afterwards Ron and Dave will pass the draft to Stacey for her review to establish a Second Draft.
- It was understood that the Association of International Petroleum Negotiators (AIPN) have released their revised Model Contract.

Action – Dave Faure will attempt to secure latest revision to the AIPN contract.

IADC Contracts Seminar – Dubai, UAE March 4, 2020.

At the request of the Miguel Sanchez, Chairman of the IADC International Onshore Advisory Panel, IADC organized an IADC contracts seminar at the Maersk Training facility in Dubai. TS along with a local contracts' attorney Ms. Olga Labai of Oil & Gas Consultants (Dubai) facilitated the seminar. It attracted 22 delegates from across the region.

Minutes of the Contracts Seminar attached.

Subcommittees

Subcommittees –

- a) The Chair has established the IADC Offshore Equipment List sub-committee and has identified John Kilburn (JK) of Transocean as Sub-Committee Chair. JK and MD have formed a working group consisting of SME's from Transocean, Ocyan (Brazil) and 2 students from the IADC Student Chapters at Texas A&M, and the University of Louisiana – Lafayette. An update on the workgroup's progress is attached.

Guest Presentation by John Kilburn of Transocean on the IADC Standard Equipment Format List for Floating Units. Attached

Any Other Business.

1. MD advised the group about the upcoming IADC Contracts and Risk Management Conference in Houston TX Oct.6-7th. A paper selection meeting determined the papers for presentation and a draft agenda has been selected. Guests speakers have been invited, to be confirmed. MCLÉ credits applied for with Texas, Louisiana, and Oklahoma.
2. Due to workforce reductions our Contracts Committee has a vacancy for the position of Vice Chairman – Offshore. If a member company has an interest in the position, they should contact TS or MD.
3. **Copyright** – Several IADC Model Contracts hold Copyright dates that are over 10 years old. TS has requested that David Odom Harris Vice Chairman – Land, along with MD review those contracts and update those Copyrights. **Action David Odom Harris and MD**

Meeting was adjourned at 10:40 pm.

Date and venue for the next meeting will be Friday Sept. 25, 2020 at the IADC Offices.