

Meeting Minutes  
IADC Contracts Committee Meeting  
April 1, 2022 - 0900 – 1130 hours  
IADC Office & via Video Conference



**In attendance:**

Tyler Smith – Nabors (TS) – Chairman  
David Odom-Harris – Vice Chair Patterson- UTI Energy Services (DOH)  
John Kilburn – Transocean (JK) -Vice Chair Offshore  
Dave Faure – Transocean (Officer)  
Tom Bowes – Precision Drilling (TB)  
Michael Ferrier – Parker Drilling (MF)  
Cary Moomjian – CAM Oilserv Advisors (CM)  
Ron Potter – Transocean  
Fred Tyler – Data Gumbo  
Ted Gobillot – Diamond Offshore  
Kyle Martin – Valaris  
Rodney Mallams – Valaris  
Mike DuBose – IADC Committee Liaison (MD)

**Welcome**

Tyler Smith, Committee Chair – Nabors opened the meeting at 0900, welcomed the group and thanked everyone for being available.

**General Antitrust Guidelines for IADC Members**

TS reminded the attendees of the IADC General Antitrust Guidelines. Reviewed the housekeeping information, protocols for Q&A.

**Safety Moment**

MD reviewed the Fatal Lifeboat Incident Report by the United States Coast Guard (USCG) The incident occurred on the Shell Auger Platform in the US GOM in June 2019. The USCG issued their report December 20, 2021.

**Approval of the Proposed Meeting Agenda**

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

### **Approval of the Minutes of the previous committee meeting.**

TS proposed the members accept the minutes of the previous meeting of 3 December 2021, as offered in the pre-read material. Motion was made by MD, seconded by DOH, and the minutes approved by acclamation.

### **Update on Various IADC/Committee Initiatives**

MD advised members of the work ongoing to revise the IADC HSE Guidelines for Land Drilling units. MD gave a brief overview of the project (see attached).

### **Guest Presentation – Glenn Legge of HFW. See attached.**

### **Amicus Brief Reports**

The Contracts Committee is currently engaged in 1 ongoing 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. MD to speak with Leandro to determine if IADC HQ should prepare any additional payments relating to the case in the 4<sup>th</sup> Qtr. 2021.
- b) We wish to bring to your attention the matter of two separate requests for Amicus Briefs that IADC are pursuing at the moment. They are as follows.

**Case 1** - IADC has been approached by Micah Skidmore a partner at Haynes & Boone in Dallas seeking IADC's support. They have an insurance coverage case for which they are preparing to file a petition for review with the Texas Supreme Court. The case is on behalf of ExxonMobil and addresses the extent to which insurers are entitled to refer to extrinsic contracts (in this case an agreement obligating the insured to name ExxonMobil as an additional insured) in interpreting the scope of coverage under an insurance policy. In accordance with the IADC Amicus Criteria, I informed the Contracts Committee Officers and the 3 attorneys amongst the officers were in unanimous agreement that this was a significant issue of potential consequence for IADC and our members. I approached Attorney Marvin Moos of the Horne Rota Moos law firm in Houston to gauge his interest in representing IADC for the compilation of the Amicus. Marvin is very experienced in these matters and is highly regarded by the Contracts Committee officers. Marvin has reviewed the matter and has agreed to compile and file the brief for IADC.

**Case 2** - Cameron Int'l Corp. v. Martinez, currently pending in the Texas Supreme Court. This case arises from an auto accident in June 2015 involving a worker at a

remote wellsite in West Texas. John Mueller was hired as an independent contractor to perform various well services for Cameron at a ConocoPhillips wellsite. After his final shift, Mueller drove to Pecos, Texas (about an hour away), to eat dinner, purchase groceries and fuel for his truck. Mueller was not on duty or even on “stand-by.” Buying these items was not part of his job; no one from Cameron directed him to do so and he was not reimbursed for his purchases, though he did receive a \$50/day travel allowance. On the way back to the wellsite, Mueller was in an accident with another vehicle. Two people died and two were injured. The survivors and heirs sued Cameron (among other defendants) on multiple grounds, including that Cameron was “vicariously liable” for Mueller’s negligence. Vicarious liability is a legal principle that an employer may be liable for actions taken by an employee in the “course and scope” of his or her employment. Certainly, the prospect of vicariously liability has serious implications for our members. Again, the officers of the contracts committee reviewed the case and unanimously agreed an IADC Amicus is in order. We approached several firms and believe Ms. Connie Pfeiffer with Yetter Coleman has the necessary experience and willingness to compile/file the brief on behalf of IADC.

### **Copyrights on various IADC Model Contracts**

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 the Copyrights, if warranted and within budget considerations. DOH and MD have engaged an IP attorney in Houston. IADC has retained the services of IP attorney Gregory Hasley from Houston. Current status is Mr. Hasley has received new copyright registrations for 5 of the 6 original applications. We are still waiting on the registration for the Offshore Turnkey Drilling Contract application. We have filed a response to the Examiner’s objections. MD to follow up with Gregory Hasley to determine the status of the work.

### **Subcommittees**

Subcommittees – MD offered the following update on the IADC Standard Equipment Format list for Floating Units.

- a) “Interim Equipment List” now finalized. After discussions with the IP attorney as related to the IADC Copyright issue mentioned above, the IP attorney has reviewed the equipment list and has filed a copyright on this document as well. Once the Interim document is Copyrighted it will be posted and circulated to industry for any additional comments/edits.
- b) IADC has now formed a Directional Drillers Committee. The committee has elected officers and will soon be formally recognized by IADC. MD met with committee chairman Clint Leazer to establish framework for the next committee meeting in the 2<sup>nd</sup> Qtr.
- c) IADC’s Contracts Committee is making steady progress on our 2021 Committee Initiatives as outlined above.

**Any Other Business.**

- 1. The IADC Contracts & Risk Management Conference will be held Oct. 4-5<sup>th</sup> in Houston. Paper selection meeting currently scheduled for April 13<sup>th</sup> at the IADC offices.**
- 2. The IADC Sustainability Conference is scheduled for September 20-21 in Houston.**

**Meeting was adjourned at 11:30 am.**

**Date for the next meeting will be Friday July 15, 2022 at 0900. The meeting is anticipated to be held in person for those who are comfortable to attend at the IADC Offices in Houston.**