

Meeting Minutes
IADC Contracts Committee Meeting
December 15, 2022 - 0900 – 11:15 hours
Transocean Office & via Video
Conference



In-Person attendance:

Dave Faure – Transocean (DF) Presiding
John Kilburn – Transocean (JK) - Committee Officer
Stacey Early – Transocean
Liana Carnes – Transocean
Sergio Alarcon – Transocean
Tom Horton – Ensign Drilling
Mike DuBose – IADC Committee Liaison (MD)

Virtual Attendees

Laurence Gerard – Transocean
Carlos Ortiz Reguer – Transocean
Frank Pocock – Transocean
Matheus Poubel – Transocean
Despoina Bouchli – Transocean
Michael Stein-Stewart – Transocean
Zoe Adam – Transocean
Gerald Baca – Transocean
Elisa Calderon – Transocean
Ana Forman - Transocean
Taylor Gissell – Transocean
Martha Harrer – Transocean
Hazel Meek – Transocean
Holly Pelikan – Transocean
Daniel Ro-Trock – Transocean
Sandro Thoma – Transocean
Camille Wieprecht – Transocean
Emily Rosenberg – Transocean
Kyle Vento – Transocean
Taylor Pritchett – Transocean
Mohamed Taha – Transocean
Victor Turque – Transocean
Islam Abdelraouf – Transocean
Ahmed Younes- Transocean
Vishal Wankar – Transocean
Josselin Gere – Transocean
Eirik Sunde – Transocean
Pal Sorli – Transocean

Rebecca Rowland – Transocean
Tom Bowes – Precision Drilling (TB)
Cary Moomjian – CAM Oil Services
Janet Resseguie – Transocean
Glenn Kangisser – Haynes Boone (London)

Welcome

David Faure, Committee Advisor – Transocean opened the meeting at 0900, welcomed the group and thanked everyone for being available. DF offered brief housekeeping remarks.

General Antitrust Guidelines for IADC Members

MD reminded the attendees of the IADC General Antitrust Guidelines & Protocols for Q&A.

Safety Moment

MD reviewed two recent IADC Safety Alerts.

Approval of the Proposed Meeting Agenda

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

Approval of the Minutes of the previous committee meeting.

DF proposed the members accept the minutes of the previous meeting of Sept. 30, 2022, as offered in the pre-read material. Motion was made by Tom B., seconded by SE, 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. The workgroup has developed their final Draft of the document. IADC International Onshore Advisory Panel Chairman, Miguel Sanchez has been advised. Miguel asked IADC staff to liaise with our members in Australia to ensure we are aligned prior to public release of the final Draft. MD has liaised with our Australasia Chapter Officers regarding the pending release of the document. AC officers asked to hold the document pending Land Rig Safety Case regulations in Australia.

Agenda Item 4 – Guest Presentation from Glenn Kangisser – Partner at Haynes Boone (London) **Market Recovery in Offshore Drilling: Re-balancing of risk between Client and Contractor.** Presentation attached.

Amicus Brief Reports

The Contracts Committee is currently engaged in 3 ongoing Amicus Brief projects 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 spoke with Leandro to determine if any further action is required from Contracts Committee or IADC HQ. No action required at this time, matter is still pending in Brazilian Superior Court awaiting assignment of a trial date.
- b) We wish to bring to your attention the matter of two separate 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. IADC has engaged Attorney Marvin Moos of the Horne Rota Moos law firm in Houston to represent IADC and our members in the matter. Marvin has filed the Amicus Briefs on May 9, 2022. Matter is pending at the Texas Supreme Court.

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. IADC has engaged Ms. Connie Pfeiffer with Yetter Coleman as she has the necessary experience and willingness to compile/file the brief on behalf of IADC. Ms. Pfeiffer has reviewed the matter is awaiting Plaintiffs to file their briefs prior to filing 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. We are still waiting on the registration for the Offshore Turnkey Drilling Contract application. MD reports that the IADC Model Contracts have received new copyrights. Contracts Committee Officers are reviewing some slight edits to the documents, prior to release with new Copyright dates.

Subcommittees

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

- a) “Interim Equipment List” is now finalized. IADC has received notice that the copyright for the document has been granted. Action - John Kilburn will develop a “smart comments” form to attach to the document. MD will coordinate with IADC’s webmaster to post the document for a +/- 30 day review period for comments from the IADC membership/industry. Once those comments are received, they will be reviewed for relevance and the document amended as required. The document will then be posted on the IADC Website and will stand as the new standard for industry and the old document will be removed.
- b) IADC’s Contracts Committee considering Committee goals for 2023. All agreed that the items above will continue to guide the committee’s efforts in 2023
- c) The IADC Contracts & Risk Management Conference was held Oct. 4-5th in Houston. Feedback was overall very positive. Number of delegates - +/-120. VIP/Sponsors dinner held on the evening of Oct. 4th was very well received. Next Risk and Contracts Conference is anticipated to be held in Houston circa late 3rd or early 4th Qtr. 2024.

Any Other Business

David Odom-Harris formerly of Patterson-UTI and Vice Chair of the Contracts Committee has left Patterson to take up a position with Crescent Energy (Operator). We appreciate David’s efforts as part of the Leadership of the Committee and wish him well in his new position.

These developments leave open the position of Vice Chair – Land for the Contracts Committee. DF asked for any candidates who may have an interest in the position to express their interest at this time or to approach the officers after the meeting. Tom Bowes of Precision Drilling (Houston) stepped forward and expressed his interest in the position. Tom has put himself forward as a

candidate for consideration. As Precision is a member in good standing with IADC, the committee accepts Tom's candidacy. We appreciate Tom's willingness to assist. If there are any other candidates, the officers will accept any Expressions of Interest until COB Jan. 20, 2023. An election will be held at the next Committee meeting currently scheduled for March 30, 2023.

Date for the next meeting will be Thursday March. 30, 2023, at 0900. The meeting is anticipated to be held in person for those who are comfortable to attend at the Transocean Offices in Houston. A virtual option is expected to be available as well.