

Meeting Minutes  
IADC Contracts Committee Meeting  
26 February 2021 - 0900 – 1110 hours  
Video Conference due to COVID-19



**In attendance via video conference:**

Tyler Smith – Nabors (TS) – Chairman  
John Kilburn – Transocean (JK) -Vice Chair Elect Offshore  
Ted Gobillot – ARO Drilling (TG)  
Tom Bowes – Precision Drilling (TB)  
David Faure – Transocean  
Juan Pablo Arias –  
Ron Potter – Transocean  
Stacey Earley – Transocean  
Michael Ferrier – Parker Drilling  
Cary Moomjian – CAM Oilserv Advisors  
Matthew Rawlinson – Eversheds-Sutherland  
Garrett Gibson – Eversheds-Sutherland  
Laurence Gerard – Transocean  
Mark Spansel – Adams & Reese  
Mike DuBose – IADC Committee Liaison (MD)

Apologies – David Odom-Harris – Patterson UTI

**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 their colleagues and families.

**General Antitrust Guidelines for IADC Members**

TS & Mike DuBose (MD) reminded the attendees of the IADC General Antitrust Guidelines. Reviewed the housekeeping information, protocols for Q&A.

**Safety Moment**

MD expressed our concern for all who may have experienced hardship due to the winter storm that hit the Houston area last week. However, this incident emphasized the importance of having a personal emergency preparedness plan to ensure safety and minimize losses.

## **Approval of the Proposed Meeting Agenda**

TS proposed the members accept the meeting agenda as offered in the pre-read materials, motion seconded by TB. 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 19 December 2020, as offered in the pre-read material. Motion was made by DF, seconded by JK, and the minutes approved by acclamation.

**Guest Presentation – Mr. Garrett Gibson and Mr. Matthew Rawlinson of Eversheds-Sutherland.** Presentation 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. 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 has been deferred until 2021 with no firm date fixed for a hearing.

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

MD advised members of the work ongoing to revise the IADC HSE Guidelines for Land Drilling units. He advised that the workgroup chairman Dave Martin of Marriott Drilling (UK) has called several meetings to reconvene the work. MD reported a newly revised draft of Part 4 (Risk Management) has now been circulated for review. Our workgroup consultant Jerrard Winter of Hubtech has now engaged with Grey Wolf Drilling in the Middle East to make a test run of Part 4 against a working unit. The Committee appreciates the efforts of Mr. Winter and the cooperation of Grey Wolf (Precision Drilling) in the matter. Results of the test case will be reported to the committee at its next regularly scheduled meeting.

## **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
- 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.

## **IADC Standard Equipment List for Land Rigs (Short Version) update.**

MD reports that after discussions with our IADC Australasia Chapter operators in the region have requested a short version of the IADC Standard Format Equipment list for Land Rigs. The short version will be circulated with the minutes. The list will be labeled as an “Interim IADC List” and be posted to the IADC website. Any comments received will be considered, the list will be an IADC Useful Resource.

## **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. The issue has been discussed, the IP attorney is currently reviewing the model contracts in question and will advise a budgetary pricing and project timeline to have these contract copyrights revised.

## **Subcommittees**

Subcommittees – John Kilburn of Transocean, Update on the IADC Standard Equipment Format list for Floating Units.

- 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 each from the IADC Student Chapters at Texas A&M, and the University of Louisiana – Lafayette (4 students total). Final draft with comments incorporated is now being finalized for placement on the IADC website as an “Interim Equipment List” pending any further comments. The “Interim Equipment List” is now finalized. After discussions with the IP attorney as related to the IADC Copyright issue mentioned above, the IP attorney is reviewing the equipment list to determine if IADC should consider a copyright on this document as well.

## **Any Other Business.**

1. The matter of the Kingdom of Saudi Arabia (KSA) requiring all MODU’s to switch to a KSA Flag was discussed. An industry workgroup has been formed in the Middle East working in conjunction with our Northern Arabian Gulf Chapter. Ms. Louise Fernie of Seadrill (attorney) is leading the workgroup. IADC has been in contact with Aramco to seek their input on the matter. On Feb. 25 the workgroup has received unofficial documentation stating that a 3-year exemption has been granted to IADC members on the reflagging issue until Feb. 2024. IADC members are pleased with this ruling and look forward to further engagement on the matter with Aramco and the Transport General Authority in KSA.

**Meeting was adjourned at 11:25 am.**

**Date for the next meeting will be Friday May 14, 2021. The meeting is anticipated to be held virtually.**

