
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934**

For the quarterly period ended: **March 31, 2013**

Commission file No.: **1-4601**

SCHLUMBERGER N.V. (SCHLUMBERGER LIMITED)

(Exact name of registrant as specified in its charter)

CURAÇAO
(State or other jurisdiction of
incorporation or organization)

52-0684746
(I.R.S. Employer
Identification No.)

**42 RUE SAINT-DOMINIQUE
PARIS, FRANCE**

75007

**5599 SAN FELIPE, 17th FLOOR
HOUSTON, TEXAS, U.S.A.**

77056

**PARKSTRAAT 83 THE HAGUE,
THE NETHERLANDS**
(Addresses of principal executive offices)

2514 JG
(Zip Codes)

Registrant's telephone number: (713) 375-3400

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at March 31, 2013</u>
COMMON STOCK, \$0.01 PAR VALUE PER SHARE	1,329,450,082

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SCHLUMBERGER LIMITED
First Quarter 2013 Form 10-Q
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CONSOLIDATED STATEMENT OF INCOME
(Unaudited)

	<i>(Stated in millions, except per share amounts)</i>	
	Three Months Ended March 31,	
	2013	2012
<i>Revenue</i>	\$ 10,668	\$ 9,918
<i>Interest & other income</i>	33	47
<i>Expenses</i>		
Cost of revenue	8,442	7,811
Research & engineering	295	275
General & administrative	95	97
Merger & integration	—	15
Restructuring & other	92	—
Interest	98	80
<i>Income before taxes</i>	1,679	1,687
Taxes on income	412	400
<i>Income from continuing operations</i>	1,267	1,287
<i>Income from discontinued operations</i>	—	19
<i>Net income</i>	1,267	1,306
Net income attributable to noncontrolling interests	8	5
<i>Net income attributable to Schlumberger</i>	\$ 1,259	\$ 1,301
Schlumberger amounts attributable to:		
Income from continuing operations	\$ 1,259	\$ 1,282
Income from discontinued operations	—	19
Net income	\$ 1,259	\$ 1,301
Basic earnings per share of Schlumberger:		
Income from continuing operations	\$ 0.95	\$ 0.96
Income from discontinued operations	—	0.01
Net income ⁽¹⁾	\$ 0.95	\$ 0.98
Diluted earnings per share of Schlumberger:		
Income from continuing operations	\$ 0.94	\$ 0.95
Income from discontinued operations	—	0.01
Net income ⁽¹⁾	\$ 0.94	\$ 0.97
Average shares outstanding:		
Basic	1,330	1,334
Assuming dilution	1,340	1,344

⁽¹⁾ Amounts may not add due to rounding.

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Unaudited)

	<i>(Stated in millions)</i>	
	Three Months Ending March 31,	
	<u>2013</u>	<u>2012</u>
<i>Net income</i>	\$ 1,267	\$ 1,306
<i>Currency translation adjustments</i>		
Unrealized net change arising during the period	(77)	110
<i>Marketable securities</i>		
Unrealized gain arising during the period	72	—
<i>Derivatives</i>		
Net derivatives (loss) gain on hedge transactions	(154)	155
Reclassification to net income of net realized loss (gain) (see Note 10)	80	(110)
<i>Pension and other postretirement benefit plans</i>		
Actuarial loss		
Actuarial loss arising during the period	—	(27)
Amortization to net income of net actuarial loss (see Note 14)	74	43
Prior service cost		
Amortization to net income of net prior service cost (see Note 14)	31	31
Income taxes on pension and other postretirement benefit plans	(14)	(10)
<i>Comprehensive income</i>	<u>1,279</u>	<u>1,498</u>
Comprehensive income attributable to noncontrolling interests	8	5
<i>Comprehensive income attributable to Schlumberger</i>	<u>\$ 1,271</u>	<u>\$ 1,493</u>

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

	Mar. 31, 2013 (Unaudited)	(Stated in millions) Dec. 31, 2012
ASSETS		
<i>Current Assets</i>		
Cash	\$ 2,129	\$ 1,905
Short-term investments	3,432	4,369
Receivables less allowance for doubtful accounts (2013 - \$207; 2012 - \$202)	11,502	11,351
Inventories	4,973	4,785
Deferred taxes	306	343
Other current assets	1,385	1,403
	<u>23,727</u>	<u>24,156</u>
<i>Fixed Income Investments, held to maturity</i>	266	245
<i>Investments in Affiliated Companies</i>	1,620	1,502
<i>Fixed Assets less accumulated depreciation</i>	14,805	14,780
<i>Multiclient Seismic Data</i>	582	518
<i>Goodwill</i>	14,580	14,585
<i>Intangible Assets</i>	4,734	4,802
<i>Other Assets</i>	1,114	959
	<u>\$ 61,428</u>	<u>\$61,547</u>
LIABILITIES AND EQUITY		
<i>Current Liabilities</i>		
Accounts payable and accrued liabilities	\$ 7,842	\$ 8,453
Estimated liability for taxes on income	1,548	1,426
Long-term debt—current portion	1,996	1,163
Short-term borrowings	966	958
Dividends payable	419	368
	<u>12,771</u>	<u>12,368</u>
<i>Long-term Debt</i>	8,138	9,509
<i>Postretirement Benefits</i>	2,056	2,169
<i>Deferred Taxes</i>	1,506	1,493
<i>Other Liabilities</i>	1,176	1,150
	<u>25,647</u>	<u>26,689</u>
<i>Equity</i>		
Common stock	11,946	11,912
Treasury stock	(6,139)	(6,160)
Retained earnings	33,729	32,887
Accumulated other comprehensive loss	(3,876)	(3,888)
Schlumberger stockholders' equity	35,660	34,751
Noncontrolling interests	121	107
	<u>35,781</u>	<u>34,858</u>
	<u>\$ 61,428</u>	<u>\$61,547</u>

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	<i>(Stated in millions)</i>	
	Three Months Ended Mar. 31,	
	2013	2012
Cash flows from operating activities:		
Net income	\$ 1,267	\$ 1,306
Less: Income from discontinued operations	—	(19)
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization ⁽¹⁾	896	851
Earnings of companies carried at equity, less dividends received	(23)	(37)
Deferred income taxes	27	(16)
Stock-based compensation expense	81	79
Pension and other postretirement benefits expense	128	97
Pension and other postretirement benefits funding	(177)	(54)
Change in assets and liabilities: ⁽²⁾		
Increase in receivables	(344)	(835)
Increase in inventories	(199)	(387)
Increase in other current assets	(31)	(128)
Decrease in accounts payable and accrued liabilities	(593)	(254)
Increase in liability for taxes on income	127	155
Decrease in other liabilities	(5)	(16)
Other	(35)	16
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,119	758
Cash flows from investing activities:		
Capital expenditures	(894)	(960)
Multiclient seismic data capitalized	(117)	(101)
Business acquisitions, net of cash acquired	(39)	—
Sale of investments, net	910	362
Other	34	(45)
NET CASH USED IN INVESTING ACTIVITIES	(106)	(744)
Cash flows from financing activities:		
Dividends paid	(365)	(334)
Proceeds from employee stock purchase plan	126	115
Proceeds from exercise of stock options	40	88
Stock repurchase program	(193)	(324)
Proceeds from issuance of long-term debt	18	46
Repayment of long-term debt	(445)	(40)
Net increase in short-term borrowings	34	93
NET CASH USED IN FINANCING ACTIVITIES	(785)	(356)
Cash flows from discontinued operations—operating activities	—	(25)
Cash flows from discontinued operations—investing activities	—	(2)
Cash flows from discontinued operations	—	(27)
Net increase (decrease) in cash before translation effect	228	(369)
Translation effect on cash	(4)	10
Cash, beginning of period	1,905	1,705
Cash, end of period	<u>\$ 2,129</u>	<u>\$ 1,346</u>

⁽¹⁾ Includes multiclient seismic data costs.

⁽²⁾ Net of the effect of business acquisitions and divestitures.

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF EQUITY

(Unaudited)

(Stated in millions)

	Common Stock		Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
	Issued	In Treasury				
January 1, 2013—March 31, 2013						
Balance, January 1, 2013	\$ 11,912	\$ (6,160)	\$32,887	\$ (3,888)	\$ 107	\$34,858
Net income			1,259		8	1,267
Currency translation adjustments				(77)		(77)
Changes in unrealized gain on marketable securities				72		72
Changes in fair value of derivatives				(74)		(74)
Pension and other postretirement benefit plans				91		91
Shares sold to optionees, less shares exchanged	(11)	51				40
Vesting of restricted stock	(42)	42				—
Shares issued under employee stock purchase plan	5	121				126
Stock repurchase program		(193)				(193)
Stock-based compensation expense	81					81
Dividends declared (\$0.3125 per share)			(417)			(417)
Other	1				6	7
Balance, March 31, 2013	<u>\$ 11,946</u>	<u>\$ (6,139)</u>	<u>\$33,729</u>	<u>\$ (3,876)</u>	<u>\$ 121</u>	<u>\$35,781</u>

(Stated in millions)

	Common Stock		Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
	Issued	In Treasury				
January 1, 2012—March 31, 2012						
Balance, January 1, 2012	\$ 11,639	\$ (5,679)	\$28,860	\$ (3,557)	\$ 129	\$31,392
Net income			1,301		9	1,310
Currency translation adjustments				110		110
Changes in fair value of derivatives				45		45
Pension and other postretirement benefit plans				37		37
Shares sold to optionees, less shares exchanged	(33)	121				88
Vesting of restricted stock	(11)	11				—
Shares issued under employee stock purchase plan	11	104				115
Stock repurchase program		(324)				(324)
Stock-based compensation expense	79					79
Dividends declared (\$0.275 per share)			(367)			(367)
Other					3	3
Balance, March 31, 2012	<u>\$ 11,685</u>	<u>\$ (5,767)</u>	<u>\$29,794</u>	<u>\$ (3,365)</u>	<u>\$ 141</u>	<u>\$32,488</u>

SHARES OF COMMON STOCK

(Unaudited)

(Stated in millions)

	Issued	In Treasury	Shares Outstanding
Balance, January 1, 2013	1,434	(106)	1,328
Shares sold to optionees, less shares exchanged	—	1	1
Vesting of restricted stock	—	1	1
Shares issued under employee stock purchase plan	—	2	2
Stock repurchase program	—	(3)	(3)
Balance, March 31, 2013	<u>1,434</u>	<u>(105)</u>	<u>1,329</u>

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements of Schlumberger Limited and its subsidiaries (“Schlumberger”) have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of Schlumberger management, all adjustments considered necessary for a fair statement have been included in the accompanying unaudited financial statements. All intercompany transactions and balances have been eliminated in consolidation. Operating results for the three-month period ended March 31, 2013 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2013. The December 31, 2012 balance sheet information has been derived from the Schlumberger 2012 financial statements. For further information, refer to the *Consolidated Financial Statements* and notes thereto included in the Schlumberger Annual Report on Form 10-K for the year ended December 31, 2012, filed with the Securities and Exchange Commission on January 31, 2013.

2. Charges and Credits

Schlumberger recorded the following charges and credits during the first three months of 2013 and 2012:

2013

Although the functional currency of Schlumberger’s operations in Venezuela is the US dollar, a portion of the transactions are denominated in local currency. In February 2013, Venezuela’s currency was devalued from the prior exchange rate of 4.3 Bolivar Fuertes per US dollar to 6.3 Bolivar Fuertes per US dollar. As a result of this devaluation, Schlumberger recorded a pretax and after-tax foreign currency loss of \$92 million during the first quarter of 2013. This amount is classified in *Restructuring & other* in the *Consolidated Statement of Income*.

2012

Schlumberger recorded \$15 million of pretax merger and integration-related charges (\$13 million after-tax) in connection with the August 27, 2010 acquisition of Smith International, Inc. This amount is classified in *Merger & integration* in the *Consolidated Statement of Income*.

3. Earnings Per Share

The following is a reconciliation from basic earnings per share of Schlumberger to diluted earnings per share of Schlumberger:

	2013			(Stated in millions, except per share amounts) 2012		
	Schlumberger Income from Continuing Operations	Average Shares Outstanding	Earnings per Share from Continuing Operations	Schlumberger Income from Continuing Operations	Average Shares Outstanding	Earnings per Share from Continuing Operations
First Quarter						
Basic	\$ 1,259	1,330	\$ 0.95	\$ 1,282	1,334	\$ 0.96
Assumed exercise of stock options	—	6		—	7	
Unvested restricted stock	—	4		—	3	
Diluted	\$ 1,259	1,340	\$ 0.94	\$ 1,282	1,344	\$ 0.95

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The number of outstanding options to purchase shares of Schlumberger common stock which were not included in the computation of diluted earnings per share, because to do so would have had an antidilutive effect, was as follows:

	<i>(Stated in millions)</i>	
	<u>2013</u>	<u>2012</u>
First Quarter	13	14

4. Inventories

A summary of inventories follows:

	<u>Mar. 31, 2013</u>	<i>(Stated in millions)</i> <u>Dec. 31, 2012</u>
Raw materials & field materials	\$2,648	\$ 2,519
Work in process	383	349
Finished goods	1,942	1,917
	<u>\$4,973</u>	<u>\$ 4,785</u>

5. Fixed Assets

A summary of fixed assets follows:

	<u>Mar. 31, 2013</u>	<i>(Stated in millions)</i> <u>Dec. 31, 2012</u>
Property, plant & equipment	\$33,689	\$ 33,168
Less: Accumulated depreciation	18,884	18,388
	<u>\$14,805</u>	<u>\$ 14,780</u>

Depreciation expense relating to fixed assets was \$761 million and \$699 million in the first quarter of 2013 and 2012, respectively.

6. Multiclient Seismic Data

The change in the carrying amount of multiclient seismic data for the three months ended March 31, 2013 was as follows:

	<i>(Stated in millions)</i>
Balance at December 31, 2012	\$ 518
Capitalized in period	117
Charged to expense	(53)
Balance at March 31, 2013	<u>\$ 582</u>

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7. Goodwill

The changes in the carrying amount of goodwill by reporting unit for the three months ended March 31, 2013 were as follows:

	<i>(Stated in millions)</i>			
	Reservoir Characterization	Drilling	Production	Total
Balance at December 31, 2012	\$ 3,760	\$8,337	\$ 2,488	\$ 14,585
Impact of changes in exchange rates and other	(6)	2	(1)	(5)
Balance at March 31, 2013	<u>\$ 3,754</u>	<u>\$8,339</u>	<u>\$ 2,487</u>	<u>\$ 14,580</u>

8. Intangible Assets

The gross book value, accumulated amortization and net book value of intangible assets were as follows:

	Mar. 31, 2013			Dec. 31, 2012		
	Gross Book Value	Accumulated Amortization	Net Book Value	Gross Book Value	Accumulated Amortization	Net Book Value
Technology/Technical Know-How	\$ 1,966	\$ 509	\$ 1,457	\$ 1,967	\$ 474	\$ 1,493
Tradenames	1,647	205	1,442	1,647	188	1,459
Customer Relationships	2,115	338	1,777	2,115	312	1,803
Other	383	325	58	369	322	47
	<u>\$ 6,111</u>	<u>\$ 1,377</u>	<u>\$ 4,734</u>	<u>\$ 6,098</u>	<u>\$ 1,296</u>	<u>\$ 4,802</u>

Amortization expense was \$82 million during the first quarter of 2013 and \$80 million during the same period of 2012.

The weighted average amortization period for all intangible assets is approximately 20 years.

Based on the net book value of intangible assets at March 31, 2013, amortization charged to income for the subsequent five years is estimated to be: remainder of 2013—\$246 million; 2014—\$323 million; 2015—\$312 million; 2016—\$299 million; 2017—\$288 million; and 2018—\$280 million.

9. Long-term Debt

A summary of *Long-term Debt* follows:

	Mar. 31, 2013	Dec. 31, 2012
3.30% Senior Notes due 2021	\$1,596	\$ 1,595
4.50% Guaranteed Notes due 2014	—	1,324
2.75% Guaranteed Notes due 2015	1,281	1,318
1.95% Senior Notes due 2016	1,099	1,099
4.20% Senior Notes due 2021	1,099	1,099
1.25% Senior Notes due 2017	999	999
2.40% Senior Notes due 2022	998	998
2.65% Senior Notes due 2016	500	500
Floating Rate Senior Notes due 2014	300	300
Other variable rate debt	266	277
	<u>\$8,138</u>	<u>\$ 9,509</u>

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The estimated fair value of Schlumberger's *Long-term Debt* at March 31, 2013 and December 31, 2012, based on quoted market prices, was \$8.5 billion and \$9.9 billion, respectively.

10. Derivative Instruments and Hedging Activities

Schlumberger is exposed to market risks related to fluctuations in foreign currency exchange rates, commodity prices and interest rates. To mitigate these risks, Schlumberger utilizes derivative instruments. Schlumberger does not enter into derivative transactions for speculative purposes.

Foreign Currency Exchange Rate Risk

As a multinational company, Schlumberger conducts business in more than 85 countries. Schlumberger's functional currency is primarily the US dollar, which is consistent with the oil and gas industry. However, outside the United States, a significant portion of Schlumberger's expenses is incurred in foreign currencies. Therefore, when the US dollar weakens (strengthens) in relation to the foreign currencies of the countries in which Schlumberger conducts business, the US dollar-reported expenses will increase (decrease).

Schlumberger is exposed to risks on future cash flows to the extent that local currency expenses exceed revenues denominated in local currency that are other than the functional currency. In addition, Schlumberger is also exposed to risks on future cash flows relating to certain of its long-term debt which is denominated in currencies other than the functional currency. Schlumberger uses foreign currency forward contracts and foreign currency options to provide a hedge against a portion of these cash flow risks. These contracts are accounted for as cash flow hedges, with the effective portion of changes in the fair value of the hedge recorded on the *Consolidated Balance Sheet* and in *Accumulated Other Comprehensive Loss*. Amounts recorded in *Accumulated Other Comprehensive Loss* are reclassified into earnings in the same period or periods that the hedged item is recognized in earnings. The ineffective portion of changes in the fair value of hedging instruments, if any, is recorded directly to earnings.

At March 31, 2013, Schlumberger recognized a cumulative net \$44 million loss in *Equity* relating to revaluation of foreign currency forward contracts and foreign currency options designated as cash flow hedges, the majority of which is expected to be reclassified into earnings within the next 12 months.

Schlumberger is also exposed to changes in the fair value of assets and liabilities which are denominated in currencies other than the functional currency. Schlumberger uses foreign currency forward contracts and foreign currency options to hedge this exposure as it relates to certain currencies. These contracts are accounted for as fair value hedges with the fair value of the contracts recorded on the *Consolidated Balance Sheet* and changes in the fair value recognized in the *Consolidated Statement of Income* along with the change in fair value of the hedged item.

At March 31, 2013, contracts were outstanding for the US dollar equivalent of \$7.2 billion in various foreign currencies, of which \$3.9 billion relate to hedges of debt denominated in currencies other than the functional currency.

Commodity Price Risk

Schlumberger is exposed to the impact of market fluctuations in the price of certain commodities, such as fuel. Schlumberger utilizes option contracts to manage a small percentage of the price risk associated with forecasted fuel purchases. The objective of these contracts is to reduce the variability of cash flows associated with the forecasted purchase of those commodities. These contracts do not qualify for hedge accounting treatment and therefore, changes in the fair value of the option contracts are recorded directly to earnings.

The notional amount of outstanding option commodity contracts was \$7 million at March 31, 2013.

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Interest Rate Risk

Schlumberger is subject to interest rate risk on its debt and its investment portfolio. Schlumberger maintains an interest rate risk management strategy that uses a mix of variable and fixed rate debt combined with its investment portfolio and occasionally interest rate swaps to mitigate the exposure to changes in interest rates.

At March 31, 2013, Schlumberger had fixed rate debt aggregating \$9.5 billion and variable rate debt aggregating \$1.6 billion.

Short-term investments and *Fixed income investments, held to maturity*, totaled \$3.7 billion at March 31, 2013, and were comprised primarily of money market funds, eurodollar time deposits, certificates of deposit, commercial paper, euro notes and Eurobonds, and were substantially all denominated in US dollars. The carrying value of these investments approximated fair value, which was estimated using quoted market prices for those or similar investments.

The fair values of outstanding derivative instruments are summarized as follows:

	<i>(Stated in millions)</i>		<u>Consolidated Balance Sheet Classification</u>
	Fair Value of Derivatives		
	<u>Mar. 31, 2013</u>	<u>Dec. 31, 2012</u>	
Derivative Assets			
Derivatives designated as hedges:			
Foreign exchange contracts	\$ 4	\$ 26	<i>Other current assets</i>
Foreign exchange contracts	3	22	<i>Other Assets</i>
Interest rate swaps	—	2	<i>Other Assets</i>
	<u>\$ 7</u>	<u>\$ 50</u>	
Derivatives not designated as hedges:			
Foreign exchange contracts	\$ 4	\$ 10	<i>Other current assets</i>
Foreign exchange contracts	6	6	<i>Other Assets</i>
	<u>\$ 10</u>	<u>\$ 16</u>	
	<u>\$ 17</u>	<u>\$ 66</u>	
Derivative Liabilities			
Derivatives designated as hedges:			
Foreign exchange contracts	\$ 147	\$ 80	<i>Accounts payable and accrued liabilities</i>
Foreign exchange contracts	66	19	<i>Other Liabilities</i>
	<u>\$ 213</u>	<u>\$ 99</u>	
Derivatives not designated as hedges:			
Foreign exchange contracts	<u>\$ 5</u>	<u>\$ 3</u>	<i>Accounts payable and accrued liabilities</i>
	<u>\$ 218</u>	<u>\$ 102</u>	

The fair value of all outstanding derivatives was determined using a model with inputs that are observable in the market or can be derived from or corroborated by observable data.

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The effect of derivative instruments designated as fair value hedges and those not designated as hedges on the *Consolidated Statement of Income* was as follows:

	(Stated in millions)		<i>Consolidated Statement of Income Classification</i>
	Gain (Loss) Recognized in Income		
	First Quarter		
	2013	2012	
Derivatives designated as fair value hedges:			
Interest rate swaps	\$ (1)	\$ 1	Interest expense
Derivatives not designated as hedges:			
Foreign exchange contracts	\$ (22)	\$ (27)	Cost of revenue
Commodity contracts	—	2	Cost of revenue
	<u>\$ (22)</u>	<u>\$ (25)</u>	

The effect of derivative instruments in cash flow hedging relationships on income and *Accumulated other comprehensive loss* (AOCL) was as follows:

	(Stated in millions)		<i>Consolidated Statement of Income Classification</i>
	Gain (Loss) Reclassified from AOCL into Income		
	First Quarter		
	2013	2012	
Foreign exchange contracts	\$ (80)	\$ 112	Cost of revenue
Foreign exchange contracts	—	(2)	Research & engineering
	<u>\$ (80)</u>	<u>\$ 110</u>	

	(Stated in millions)	
	Gain (Loss) Recognized in AOCL	
	First Quarter	
	2013	2012
Foreign exchange contracts	\$ (154)	\$ 155

11. Income Tax

Income before taxes which was subject to US and non-US income taxes was as follows:

	(Stated in millions)	
	First Quarter	
	2013	2012
United States	\$ 421	\$ 571
Outside United States	1,258	1,116
	<u>\$1,679</u>	<u>\$1,687</u>

Schlumberger recorded pretax charges of \$92 million outside of the US during the first quarter of 2013 and pretax charges of \$15 million during the first quarter of 2012 (\$11 million in the US and \$4 million outside of the US).

These charges are included in the table above and are more fully described in Note 2—*Charges and Credits*.

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The components of net deferred tax assets (liabilities) were as follows:

	(Stated in millions)	
	Mar. 31, 2013	Dec. 31, 2012
Postretirement benefits, net	\$ 518	\$ 543
Intangible assets	(1,489)	(1,490)
Investments in non-US subsidiaries	(317)	(317)
Other, net	88	114
	<u>\$ (1,200)</u>	<u>\$ (1,150)</u>

The above deferred tax balances at March 31, 2013 and December 31, 2012 were net of valuation allowances relating to net operating losses in certain countries of \$251 million and \$256 million, respectively.

The components of consolidated *Taxes on income* were as follows:

	(Stated in millions)	
	First Quarter	
	2013	2012
Current:		
United States—Federal	\$ 116	\$ 190
United States—State	15	17
Outside United States	254	209
	<u>\$ 385</u>	<u>\$ 416</u>
Deferred:		
United States—Federal	\$ 18	\$ (32)
United States—State	—	(3)
Outside United States	9	19
	<u>\$ 27</u>	<u>\$ (16)</u>
	<u>\$ 412</u>	<u>\$ 400</u>

A reconciliation of the US statutory federal tax rate of 35% to the consolidated effective income tax rate follows:

	First Quarter	
	2013	2012
US federal statutory rate	35%	35%
US state income taxes	1	1
Non-US income taxed at different rates	(12)	(10)
Charges (See Note 2)	1	—
Other	—	(2)
	<u>25%</u>	<u>24%</u>

12. Contingencies

In 2009, Schlumberger learned that United States officials began a grand jury investigation and an associated regulatory inquiry, both related to certain Schlumberger operations in specified countries that are subject to United States trade and economic sanctions. Also in 2009, prior to being acquired by Schlumberger, Smith received an administrative subpoena with respect to its historical business practices in certain countries that are subject to United States trade and economic sanctions. Governmental agencies and authorities have a broad range

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of civil and criminal penalties that they may seek to impose for violations of trade and economic sanction laws including, but not limited to, disgorgement, fines, penalties and modifications to business practices. In recent years, these agencies and authorities have obtained a wide range of penalties in settlements with companies arising from trade and economic sanction investigations, including in some cases fines and other penalties in the tens and hundreds of millions of dollars. Schlumberger is cooperating with the governmental authorities and cannot currently predict the outcome or estimate the possible impact of the ultimate resolution of these matters.

On April 20, 2010, a fire and explosion occurred onboard the semisubmersible drilling rig *Deepwater Horizon*, owned by Transocean Ltd. and under contract to a subsidiary of BP plc. Pursuant to a contract between M-I SWACO and BP, M-I SWACO provided certain services under the direction of BP. A number of legal actions, certain of which named an M-I SWACO entity as a defendant, were filed in connection with the *Deepwater Horizon* incident. Many of these claims were consolidated into multidistrict litigation pending in federal court (the "MDL"). During the first quarter of 2013, the federal court entered its order dismissing all claims against M-I SWACO that were consolidated as part of the MDL.

Schlumberger and its subsidiaries are party to various other legal proceedings from time to time. A liability is accrued when a loss is both probable and can be reasonably estimated. Management believes that the probability of a material loss is remote. However, litigation is inherently uncertain and it is not possible to predict the ultimate disposition of these proceedings.

13. Segment Information

	First Quarter 2013		(Stated in millions) First Quarter 2012	
	Revenue	Income before taxes	Revenue	Income before taxes
Oilfield Services				
Reservoir Characterization	\$ 2,803	\$ 758	\$2,582	\$ 674
Drilling	4,132	741	3,785	657
Production	3,785	573	3,542	620
Eliminations & other	(52)	(46)	9	(8)
	<u>10,668</u>	<u>2,026</u>	<u>9,918</u>	<u>1,943</u>
Corporate & other	—	(168)	—	(171)
Interest income	—	6	—	10
Interest expense ⁽¹⁾	—	(93)	—	(80)
Charges and credits (see Note 2)	—	(92)	—	(15)
	<u>\$10,668</u>	<u>\$1,679</u>	<u>\$9,918</u>	<u>\$1,687</u>

Certain prior period amounts have been reclassified to conform to the current year presentation.

⁽¹⁾ Excludes interest expense included in the segment results (\$5 million in 2013; \$- million in 2012).

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14. Pension and Other Postretirement Benefits

Net pension cost for the Schlumberger pension plans included the following components:

	(Stated in millions)			
	First Quarter			
	2013		2012	
	US	Int'l	US	Int'l
Service cost—benefits earned during period	\$ 21	\$ 34	\$ 17	\$ 21
Interest cost on projected benefit obligation	37	64	38	58
Expected return on plan assets	(51)	(100)	(46)	(80)
Amortization of prior service cost	3	29	3	30
Amortization of net loss	30	37	23	15
	<u>\$ 40</u>	<u>\$ 64</u>	<u>\$ 35</u>	<u>\$ 44</u>

The net periodic benefit cost for the Schlumberger US postretirement medical plan included the following components:

	(Stated in millions)	
	First Quarter	
	2013	2012
Service cost—benefits earned during period	\$ 12	\$ 7
Interest cost on accumulated postretirement benefit obligation	15	15
Expected return on plan assets	(9)	(7)
Amortization of prior service cost	(1)	(2)
Amortization of net loss	7	5
	<u>\$ 24</u>	<u>\$ 18</u>

15. Accumulated Other Comprehensive Loss

Accumulated Other Comprehensive Loss consists of the following:

	(Stated in millions)				
	Currency Translation Adjustments	Fair Value of Derivatives	Pension and Other Postretirement Benefit Plans	Unrealized Gains Marketable Securities	Total
Balance, January 1, 2013	\$ (918)	\$ 30	\$ (3,141)	\$ 141	\$(3,888)
Other comprehensive income (loss) before reclassifications	(77)	(154)	—	72	(159)
Amounts reclassified from accumulated other comprehensive loss	—	80	105	—	185
Income taxes	—	—	(14)	—	(14)
Net other comprehensive income (loss)	<u>(77)</u>	<u>(74)</u>	<u>91</u>	<u>72</u>	<u>12</u>
Balance, March 31, 2013	<u>\$ (995)</u>	<u>\$ (44)</u>	<u>\$ (3,050)</u>	<u>\$ 213</u>	<u>\$(3,876)</u>

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(Stated in millions)

	<u>Currency Translation Adjustments</u>	<u>Fair Value of Derivatives</u>	<u>Pension and Other Postretirement Benefit Plans</u>	<u>Unrealized Gains Marketable Securities</u>	<u>Total</u>
Balance, January 1, 2012	\$ (993)	\$ (26)	\$ (2,538)	\$ —	\$(3,557)
Other comprehensive income (loss) before reclassifications	110	155	(27)	—	238
Amounts reclassified from accumulated other comprehensive loss	—	(110)	74	—	(36)
Income taxes	—	—	(10)	—	(10)
Net other comprehensive income (loss)	<u>110</u>	<u>45</u>	<u>37</u>	<u>—</u>	<u>192</u>
Balance, March 31, 2012	<u>\$ (883)</u>	<u>\$ 19</u>	<u>\$ (2,501)</u>	<u>\$ —</u>	<u>\$(3,365)</u>

16. Discontinued Operations

During the second quarter of 2012, Schlumberger sold its Wilson distribution business to National Oilwell Varco Inc. (“NOV”) for \$906 million in cash.

During July 2012, Schlumberger completed the sale of its 56% interest in CE Franklin Ltd. to NOV for \$122 million in cash.

As Wilson and CE Franklin comprised Schlumberger’s entire Distribution segment, the results of this segment were classified as discontinued operations in the *Consolidated Statement of Income*.

The following table summarizes the results of these discontinued operations (in millions):

	<u>First Quarter 2012</u>
Revenue	<u>\$ 693</u>
Income before taxes	<u>\$ 34</u>
Tax expense	<u>(11)</u>
Net income attributable to noncontrolling interests	<u>(4)</u>
Income from discontinued operations	<u>\$ 19</u>

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

First Quarter 2013 Compared to Fourth Quarter 2012

Product Groups

	<u>First Quarter 2013</u>		<i>(Stated in millions)</i> <u>Fourth Quarter 2012</u>	
	<u>Revenue</u>	<u>Income Before Taxes</u>	<u>Revenue</u>	<u>Income Before Taxes</u>
Oilfield Services				
Reservoir Characterization	\$ 2,803	\$ 758	\$ 3,148	\$ 918
Drilling	4,132	741	4,137	696
Production	3,785	573	3,927	592
Eliminations & other	(52)	(46)	(38)	(42)
	<u>10,668</u>	<u>2,026</u>	<u>11,174</u>	<u>2,164</u>
Corporate & other	—	(168)	—	(180)
Interest income	—	6	—	6
Interest expense ⁽¹⁾	—	(93)	—	(90)
Charges and credits	—	(92)	—	(93)
	<u>\$10,668</u>	<u>\$1,679</u>	<u>\$11,174</u>	<u>\$ 1,807</u>

Geographic Areas

	<u>First Quarter 2013</u>		<i>(Stated in millions)</i> <u>Fourth Quarter 2012</u>	
	<u>Revenue</u>	<u>Income Before Taxes</u>	<u>Revenue</u>	<u>Income Before Taxes</u>
Oilfield Services				
North America	\$ 3,290	\$ 627	\$ 3,422	\$ 656
Latin America	1,904	371	2,071	377
Europe/CIS/Africa	2,851	508	2,958	579
Middle East & Asia	2,505	609	2,577	601
Eliminations & other	118	(89)	146	(49)
	<u>10,668</u>	<u>2,026</u>	<u>11,174</u>	<u>2,164</u>
Corporate & other	—	(168)	—	(180)
Interest income	—	6	—	6
Interest expense ⁽¹⁾	—	(93)	—	(90)
Charges and credits	—	(92)	—	(93)
	<u>\$10,668</u>	<u>\$1,679</u>	<u>\$11,174</u>	<u>\$ 1,807</u>

Certain prior period amounts have been reclassified to conform to the current year presentation.

⁽¹⁾ Excludes interest expense included in the Product Group and Geographical Area results.

Pretax operating income represents the segments’ income before taxes and noncontrolling interests. The pretax operating income excludes such items as corporate expenses and interest income and interest expense not allocated to the segments, as well as the charges and credits described in detail in Note 2 to the *Consolidated Financial Statements*, interest on postretirement medical benefits, stock-based compensation costs and amortization expense associated with intangible assets recorded as a result of the acquisition of Smith International, Inc. (“Smith”).

OILFIELD SERVICES

First-quarter revenue of \$10.7 billion decreased 5% sequentially principally due to the strong year-end product, software and multiclient sales in the fourth quarter of 2012 and the seasonal activity slowdowns during the first quarter. Sequentially, Reservoir Characterization Group revenue decreased 11% to \$2.8 billion, Production Group revenue decreased 4% to \$3.8 billion and Drilling Group revenue was flat at \$4.1 billion. Geographically, International revenue of \$7.3 billion decreased \$347 million, or 5%, while North America revenue of \$3.3 billion declined \$133 million, or 4%. The strong year-end product, software and multiclient sales in the fourth quarter of 2012 accounted for more than half of the sequential decline in revenue while the rest of the decline reflected the seasonal activity slowdowns in the North Sea, Russia and China, weather-related work delays in the Brunei, Malaysia & Philippines and Australasia GeoMarkets and lower pricing as a result of excess capacity in US land. However, these sequential effects were partially offset by strong exploration and drilling activity in Angola, and strong winter project activity in Western Canada & Alaska.

First-quarter pretax operating income of \$2.0 billion decreased 6% sequentially. International pretax operating income of \$1.5 billion and North America pretax operating income of \$627 million both declined 4% sequentially.

Pretax operating margin of 19.0% decreased 37 basis points (bps) sequentially. International pretax operating margin was stable at 20.5% with strong performances in Latin America and the Middle East & Asia offsetting a decline in Europe/CIS/Africa. North America pretax operating margin was essentially flat at 19.1%. By segment, the Drilling Group pretax operating margin increased to 17.9% while the Reservoir Characterization Group pretax operating margin decreased to 27.0% and the Production Group pretax operating margin was flat at 15.1%.

Reservoir Characterization Group

First-quarter revenue of \$2.8 billion decreased 11% sequentially. Pretax operating income of \$758 million was 18% lower compared to the prior quarter.

Sequentially, the revenue decrease was mainly due to the prior quarter's strong year-end WesternGeco multiclient and Schlumberger Information Solutions (SIS) software sales while Wireline revenue was down due to activity slowdown in Latin America and adverse weather conditions in Asia and Russia.

Pretax operating margin of 27.0% decreased 215 bps sequentially, due to the absence of the effect of the seasonal year-end SIS software sales and WesternGeco multiclient revenue.

Drilling Group

First-quarter revenue of \$4.1 billion was flat sequentially. Pretax operating income of \$741 million was 7% higher than the prior quarter.

Sequentially, a seasonal decline in M-I SWACO revenue was offset by higher revenues from Drilling & Measurements services, on improving pricing from a more favorable technology mix and increased activity in Europe/CIS/Africa Area and the Middle East.

Pretax operating margin of 17.9% increased 111 bps as a result of better pricing from a higher-technology mix for Drilling & Measurements services and improved profitability in Integrated Product Management (IPM) projects in the Middle East.

Production Group

First-quarter revenue of \$3.8 billion decreased 4% sequentially. Pretax operating income of \$573 million was 3% lower sequentially.

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The sequential revenue decline was primarily due to lower Completions and Artificial Lift product sales following their strong year-end highs. In addition, Well Services revenues were also lower due to weaker pricing as a result of excess capacity in US land despite an increase in stage count due to Western Canada winter activity gains.

Pretax operating margin of 15.1% was flat sequentially as improved profitability for Schlumberger Production Management (SPM) project-related activities in Latin America and improved Well Services results in both the US Gulf of Mexico and the International Areas were offset by pricing weakness in US land.

First Quarter 2013 Compared to First Quarter 2012

Product Groups

	<u>First Quarter 2013</u>		<i>(Stated in millions)</i> <u>First Quarter 2012</u>	
	<u>Revenue</u>	<u>Income Before Taxes</u>	<u>Revenue</u>	<u>Income Before Taxes</u>
Oilfield Services				
Reservoir Characterization	\$ 2,803	\$ 758	\$2,582	\$ 674
Drilling	4,132	741	3,785	657
Production	3,785	573	3,542	620
Eliminations & other	(52)	(46)	9	(8)
	<u>10,668</u>	<u>2,026</u>	<u>9,918</u>	<u>1,943</u>
Corporate & other	—	(168)	—	(171)
Interest income ⁽¹⁾	—	6	—	10
Interest expense ⁽¹⁾	—	(93)	—	(80)
Charges and credits	—	(92)	—	(15)
	<u>\$10,668</u>	<u>\$1,679</u>	<u>\$9,918</u>	<u>\$ 1,687</u>

Geographic Areas

	<u>First Quarter 2013</u>		<i>(Stated in millions)</i> <u>First Quarter 2012</u>	
	<u>Revenue</u>	<u>Income Before Taxes</u>	<u>Revenue</u>	<u>Income Before Taxes</u>
Oilfield Services				
North America	\$ 3,290	\$ 627	\$3,433	\$ 777
Latin America	1,904	371	1,766	323
Europe/CIS/Africa	2,851	508	2,577	428
Middle East & Asia	2,505	609	2,064	476
Eliminations & other	118	(89)	78	(61)
	<u>10,668</u>	<u>2,026</u>	<u>9,918</u>	<u>1,943</u>
Corporate & other	—	(168)	—	(171)
Interest income ⁽¹⁾	—	6	—	10
Interest expense ⁽¹⁾	—	(93)	—	(80)
Charges and credits	—	(92)	—	(15)
	<u>\$10,668</u>	<u>\$1,679</u>	<u>\$9,918</u>	<u>\$ 1,687</u>

Certain prior period amounts have been reclassified to conform to the current year presentation.

⁽¹⁾ Excludes interest included in the Product Group and Geographical Area results.

OILFIELD SERVICES

First-quarter revenue of \$10.7 billion increased 8% year-on-year with strong growth in all Product Groups. Geographically, International revenue of \$7.3 billion grew \$853 million, or 13% year-on-year, while North America revenue of \$3.3 billion declined \$144 million, or 4%, year-on-year.

The International revenue growth, which outpaced the 7% rig count increase, was led by the Middle East & Asia with revenue of \$2.5 billion growing 21%, mainly from robust results across all Technologies in Saudi Arabia, strong IPM results in Iraq, and sustained land and offshore drilling activity in the Australasia and China GeoMarkets. Europe/CIS/Africa revenue of \$2.9 billion increased 11%, led by the Sub-Sahara Africa region on strong development and exploration drilling. The Russia and Central Asia region saw strong activity while the North Sea GeoMarket posted firm growth as activity migrated from exploration to development and production-related projects. Latin America revenue of \$1.9 billion grew 8%, mainly in Ecuador from solid progress on the SPM Shushufindi project. Strong revenue was also reported by the Mexico & Central America and the Argentina, Bolivia & Chile GeoMarkets. North America revenue of \$3.3 billion decreased 4%—mainly from land activity, which was down 11% year-on-year while offshore was up 26%. The increase in offshore revenue resulted from higher drilling activity as the number of deepwater rigs increased by more than 30% year-on-year in the US Gulf of Mexico. The decline in land revenue was mainly due to pricing weakness for both pressure pumping services and for other Technologies as overall rig count declined by 15% year-on-year.

Year-on-year, pretax operating margin of 19.0% declined 59 bps, as International pretax operating margin improved 135 bps to 20.5% while North America pretax operating margin declined 356 bps to 19.1%. Middle East & Asia showed a 125 bps year-on-year margin improvement to reach 24.3%, Europe/CIS/Africa increased by 120 bps to 17.8%, and Latin America improved by 123 bps to 19.5%. The decline in North America margin was mainly due to pricing pressure for Well Services production technologies on land, while the expansion in International margin was due to strong contributions from Testing Services and Drilling & Measurements Technologies on improved profitability from higher offshore exploration and drilling activity. Improved profitability of IPM and SPM project-related activities in the Latin America and Middle East & Asia Areas also contributed to the expanded international margin. By segment, Reservoir Characterization Group pretax operating margin increased 94 bps to 27.0% due to improved profitability in Testing Services while the pretax operating margin of the Drilling Group increased 57 bps to 17.9% from better margins from Drilling & Measurements. Production Group pretax operating margin declined 237 bps to 15.1% due mainly to lower prices for Well Services production technologies in US land, although the effect of this was partially offset by improved profitability on SPM projects in Latin America.

Reservoir Characterization Group

First-quarter revenue of \$2.8 billion increased 9% year-on-year led by double-digit growth in Testing Services activity and SIS software sales, which were driven by improved offshore exploration activity and increased sales across all international Areas. WesternGeco grew on higher marine vessel utilization at better pricing and improved UniQ and conventional land seismic productivity in the Middle East and Australia.

Pretax operating margin of 27.0% increased 94 bps year-on-year due mainly to improved profitability in Testing Services which benefited from high-margin offshore exploration activity.

Drilling Group

First-quarter revenue of \$4.1 billion grew 9% year-on-year led by robust growth in Drilling & Measurements technologies as offshore drilling activity strengthened in the US Gulf of Mexico, Sub-Sahara Africa, Sakhalin, Asia and Australia, and as rig count grew in key international land markets in Saudi Arabia, China and Australia. Drilling Tools & Remedial activity increased across all Areas and IPM grew strongly as projects in Iraq and Australia ramped up.

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Pretax operating margin of 17.9% increased 57 bps year-on-year reflecting increased drilling activity in the US Gulf of Mexico and the international Areas, and more favorable pricing from an improved technology mix, particularly in Drilling & Measurements.

Production Group

First-quarter revenue of \$3.8 billion increased 7% year-on-year led by double-digit growth in Artificial Lift, Well Intervention, Completions and Well Services production technologies in the international Areas. Fraco and the Subsea Services Technologies posted growth of more than 50% while SPM revenue more than doubled as projects in Latin America came in ahead of plans. The Group revenue increase, however, was partly reduced by a decline in pressure pumping revenues in North America land.

Pretax operating margin of 15.1% declined 237 bps mainly due to pricing weakness in Well Services production technologies in US land, although the effect of this was partially offset by improved profitability in SPM projects in Latin America.

INTEREST & OTHER INCOME

Interest & other income consisted of the following for the first quarter ended March 31, 2013 and 2012:

	<i>(Stated in millions)</i>	
	First Quarter	
	2013	2012
Equity in net earnings of affiliated companies	\$ 27	\$ 37
Interest income	6	10
	<u>\$ 33</u>	<u>\$ 47</u>

OTHER

Research & engineering and *General & administrative* expenses, as a percentage of *Revenue*, for the first quarter ended March 31, 2013 and 2012 were as follows:

	First Quarter	
	2013	2012
Research & engineering	2.8%	2.8%
General & administrative	0.9%	1.0%

The effective tax rate for the first quarter of 2013 was 24.5% compared to 23.7% for the same period of 2012. This increase was primarily attributable to the impact of the \$92 million charge relating to the foreign currency devaluation in Venezuela that was recorded in the first quarter of 2013 which had no related tax benefit.

CHARGES AND CREDITS

Schlumberger recorded the following charges during the first three months of 2013 and 2012.

2013

Although the functional currency of Schlumberger's operations in Venezuela is the US dollar, a portion of the transactions are denominated in local currency. In February 2013, Venezuela's currency was devalued from the prior exchange rate of 4.3 Bolivar Fuertes per US dollar to 6.3 Bolivar Fuertes per US dollar. Although this devaluation does result in a reduction in the US dollar reported amount of local currency denominated revenue and expenses, the impact is not material to Schlumberger's consolidated financial statements. As a result

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of this devaluation, Schlumberger recorded a pretax and after-tax foreign currency loss of \$92 million during the first quarter of 2013. This amount is classified in *Restructuring & other* in the *Consolidated Statement of Income*.

2012

Schlumberger recorded \$15 million of pretax merger and integration-related charges (\$13 million after-tax) in connection with the 2010 acquisition of Smith. This amount is classified in *Merger & integration* in the *Consolidated Statement of Income*.

CASH FLOW

Net Debt represents gross debt less cash, short-term investments and fixed income investments, held to maturity. Management believes that Net Debt provides useful information regarding the level of Schlumberger indebtedness by reflecting cash and investments that could be used to repay debt.

Details of Net Debt follow:

	<i>(Stated in millions)</i>	
	Mar. 31, 2013	Mar. 31, 2012
Net Debt, beginning of year	\$ (5,111)	\$ (4,850)
Income from continuing operations	1,267	1,287
Depreciation and amortization ⁽¹⁾	896	851
Excess of equity income over dividends received	(23)	(37)
Stock-based compensation expense	81	79
Pension and other postretirement benefits expense	128	97
Pension and other postretirement benefits funding	(177)	(54)
Increase in working capital	(924)	(1,508)
Capital expenditures	(894)	(960)
Multiclient seismic data capitalized	(117)	(101)
Dividends paid	(365)	(334)
Stock repurchase program	(193)	(324)
Proceeds from employee stock plans	166	203
Business acquisitions	(39)	—
Discontinued operations	—	(36)
Currency effect on net debt	126	(120)
Other	(94)	6
Net Debt, end of period	<u>\$ (5,273)</u>	<u>\$ (5,801)</u>

⁽¹⁾ Includes multiclient seismic data costs.

	<i>(Stated in millions)</i>		
	Mar. 31, 2013	Mar. 31, 2012	Dec. 31, 2012
<u>Components of Net Debt</u>			
Cash	\$ 2,129	\$ 1,346	\$ 1,905
Short-term investments	3,432	2,739	4,369
Fixed income investments, held to maturity	266	281	245
Short-term borrowings and current portion of long-term debt	(2,962)	(1,728)	(2,121)
Long-term debt	(8,138)	(8,439)	(9,509)
	<u>\$ (5,273)</u>	<u>\$ (5,801)</u>	<u>\$ (5,111)</u>

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Key liquidity events during the first three months of 2013 and 2012 included:

- On April 17, 2008, the Schlumberger Board of Directors approved an \$8 billion share repurchase program for shares of Schlumberger common stock, to be acquired in the open market before December 31, 2011. On July 21, 2011, the Schlumberger Board of Directors approved an extension of this repurchase program to December 31, 2013. Schlumberger had repurchased \$7.3 billion of shares under this program as of March 31, 2013.

The following table summarizes the activity, during the three months ended March 31, under this share repurchase program:

	Total cost of shares purchased	(Stated in millions except per share amounts) Total number of shares purchased	Average price paid per share
Three months ended March 31, 2013	\$ 193	2.5	\$ 77.63
Three months ended March 31, 2012	\$ 324	4.4	\$ 74.01

- Cash flow provided by operations was \$1.1 billion in the first three months of 2013 compared to \$0.8 billion in the first three months of 2012 reflecting a lower increase in working capital requirements quarter-on-quarter.
- Capital expenditures were \$0.9 billion in the first three months of 2013 compared to \$1.0 billion during the first three months of 2012. Capital expenditures for the full year of 2013 are expected to be approximately \$3.9 billion as compared to \$4.7 billion in 2012.

At times in recent quarters, Schlumberger has experienced delays in payments from its national oil company customer in Venezuela. Schlumberger operates in more than 85 countries. At March 31, 2013, only five of those countries (including Venezuela) individually accounted for greater than 5% of Schlumberger's accounts receivable balance of which only one, the United States, represented greater than 10%.

As of March 31, 2013 Schlumberger had \$5.6 billion of cash and short-term investments on hand. Schlumberger had separate committed debt facility agreements aggregating \$4.1 billion with commercial banks, of which \$3.8 billion was available and unused as of March 31, 2013. This included \$3.5 billion of committed facilities which support commercial paper programs in the United States and Europe. Schlumberger believes that these amounts are sufficient to meet future business requirements for at least the next 12 months.

Schlumberger had no commercial paper outstanding as of March 31, 2013.

Other Matters

During the first quarter of 2013, certain non-US subsidiaries of Schlumberger provided oilfield services to the National Iranian Oil Company and certain of its affiliates ("NIOC"). Schlumberger has not bid on any new contracts relating to Iran's petroleum production since March 2009. Schlumberger's first-quarter 2013 revenue attributable to this activity was \$98 million, which resulted in net income of \$56 million in its consolidated financial statements. Schlumberger intends to discontinue such activity in Iran in 2013 and is currently winding down its operations there. As a result, Schlumberger anticipates presenting the results of this business as a discontinued operation once the wind down is complete.

Schlumberger's activity in Iran included obtaining services from and engaging in other dealings with the government of Iran that are incidental to operating in Iran, and the expenses of which are reflected in the net income disclosed above. These services and other dealings consisted of paying taxes, duties, license fees and other typical governmental charges, along with payments for utilities, transportation, hotel accommodations, facility rentals, telecommunications services, newspaper advertisements, recreational and fitness memberships, and the purchase of routine office and similar supplies from entities associated with the government of Iran. Collections of amounts owed to Schlumberger were received in part by depository accounts held by two non-US subsidiaries of Schlumberger at a branch of Bank Saderat Iran ("Saderat"), and in part by a depository account held by one of such non-US subsidiaries at Bank Tejarat ("Tejarat") in Tehran. The accounts at Saderat are

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maintained solely for the deposit by NIOC of amounts owed to non-US subsidiaries of Schlumberger. The account at Tejarat is maintained also for payment of expenses in connection with operating in Iran, such as payroll expenses, rental payments and taxes. In addition, NIOC maintains bank accounts at Bank Melli Iran (“Melli”) through which it made payments to a non-US subsidiary of Schlumberger for services provided in Iran under letters of credit issued by Melli. Schlumberger maintains no bank accounts at Melli. Schlumberger will discontinue its dealings with Melli, Saderat and Tejarat following the receipt of all amounts owed to Schlumberger for services in Iran.

FORWARD-LOOKING STATEMENTS

This Form 10-Q, and other statements we make contain “forward-looking statements” within the meaning of the federal securities laws, which include any statements that are not historical facts, such as our forecasts or expectations regarding business outlook; growth for Schlumberger as a whole and for each of its segments (and for specified products or geographic areas within each segment); oil and natural gas demand and production growth; oil and natural gas prices; improvements in operating procedures and technology; capital expenditures by Schlumberger and the oil and gas industry; the business strategies of Schlumberger’s customers; future global economic conditions; and future results of operations. These statements are subject to risks and uncertainties, including, but not limited to, global economic conditions; changes in exploration and production spending by Schlumberger’s customers and changes in the level of oil and natural gas exploration and development; general economic, political and business conditions in key regions of the world; pricing erosion; weather and seasonal factors; operational delays; production declines; changes in government regulations and regulatory requirements, including those related to offshore oil and gas exploration, radioactive sources, explosives, chemicals, hydraulic fracturing services and climate-related initiatives; the inability of technology to meet new challenges in exploration; and other risks and uncertainties detailed in our first-quarter 2013 earnings release, our most recent Form 10-K and other filings that we make with the Securities and Exchange Commission. If one or more of these or other risks or uncertainties materialize (or the consequences of such a development changes), or should our underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements. Schlumberger disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

For quantitative and qualitative disclosures about market risk affecting Schlumberger, see Item 7A, “Quantitative and Qualitative Disclosures about Market Risk,” of the Schlumberger Annual Report on Form 10-K for the fiscal year ended December 31, 2012. Schlumberger’s exposure to market risk has not changed materially since December 31, 2012.

Item 4. Controls and Procedures.

Schlumberger has carried out an evaluation under the supervision and with the participation of Schlumberger’s management, including the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”), of the effectiveness of Schlumberger’s “disclosure controls and procedures” (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”)) as of the end of the period covered by this report. Based on this evaluation, the CEO and the CFO have concluded that, as of the end of the period covered by this report, Schlumberger’s disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports that Schlumberger files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms. Schlumberger’s disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is accumulated and communicated to its management, including the CEO and the CFO, as appropriate, to allow timely decisions regarding required disclosure. There has been no change in Schlumberger’s internal control over financial reporting that occurred during the quarter to which this report relates that has materially affected, or is reasonably likely to materially affect, Schlumberger’s internal control over financial reporting.

*Markof Schlumberger

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PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

The information with respect to Item 1 is set forth under Note 12—*Contingencies*, in the *Consolidated Financial Statements*.

Item 1A. Risk Factors.

As of the date of this filing, there have been no material changes from the risk factors previously disclosed in Part 1, Item 1A, of Schlumberger's Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Unregistered Sales of Equity Securities

None.

Issuer Repurchases of Equity Securities

On April 17, 2008, the Schlumberger Board of Directors (the "Board") approved an \$8 billion share repurchase program for Schlumberger common stock, which may be acquired in the open market or in negotiated transactions. On July 21, 2011, the Board approved an extension of this repurchase program to December 31, 2013. As of March 31, 2013, \$0.7 billion remained available for repurchase under the existing repurchase authorization.

Schlumberger's common stock repurchase program activity for the three months ended March 31, 2013 was as follows:

(Stated in thousands, except per share amounts)

	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced program	Maximum value of shares that may yet be purchased under the program
January 1 through January 31, 2013	—	\$ —	—	\$ 879,372
February 1 through February 28, 2013	1,193.6	\$ 78.84	1,193.6	\$ 785,270
March 1 through March 31, 2013	1,289.7	\$ 76.52	1,289.7	\$ 686,581
	<u>2,483.3</u>	<u>\$ 77.63</u>	<u>2,483.3</u>	

In connection with the exercise of stock options under Schlumberger's incentive compensation plans, Schlumberger routinely receives shares of its common stock from optionholders in consideration of the exercise price of the stock options. Schlumberger does not view these transactions as requiring disclosure under this Item as the number of shares of Schlumberger common stock received from optionholders is not material.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

The barite and bentonite mining operations of M-I LLC, an indirect wholly-owned subsidiary, are subject to regulation by the federal Mine Safety and Health Administration under the Federal Mine Safety and Health Act of 1977. Information concerning mine safety violations or other regulatory matters required by section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95 to this Report.

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Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit 3.1—Articles of Incorporation of Schlumberger Limited (Schlumberger N.V.) (incorporated by reference to Exhibit 3 to Schlumberger's Current Report on Form 8-K filed on April 7, 2011).

Exhibit 3.2—Amended and Restated By-laws of Schlumberger Limited (Schlumberger N.V.) (incorporated by reference to Exhibit 3.1 to Schlumberger's Current Report on Form 8-K filed on July 20, 2012).

Exhibit 10.1—Schlumberger 2013 Omnibus Stock Incentive Plan (incorporated by reference to Appendix A of Schlumberger's definitive proxy statement filed with the SEC on March 1, 2013). (+)

Exhibit 10.2—Schlumberger Discounted Stock Purchase Plan, as amended and restated effective as of January 1, 2013 (incorporated by reference to Appendix B of Schlumberger's definitive proxy statement filed with the SEC on March 1, 2013). (+)

* Exhibit 10.3—First Amendment to Schlumberger Limited Restoration Savings Plan. (+)

* Exhibit 10.4—Form of 2013 One Year Performance Share Unit Award Agreement under the Schlumberger 2010 Omnibus Stock Incentive Plan. (+)

* Exhibit 10.5—Form of 2013 Two Year Performance Share Unit Award Agreement under the Schlumberger 2010 Omnibus Stock Incentive Plan. (+)

* Exhibit 10.6—Form of 2013 Three Year Performance Share Unit Award Agreement under the Schlumberger 2010 Omnibus Stock Incentive Plan. (+)

* Exhibit 10.7—French Sub-Plan of the Schlumberger 2010 Omnibus Stock Incentive Plan for Employees in France. (+)

* Exhibit 31.1—Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

* Exhibit 31.2—Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

** Exhibit 32.1—Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

** Exhibit 32.2—Certification Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Exhibit 95—Mine Safety Disclosures.

* Exhibit 101—The following materials from Schlumberger Limited's Quarterly Report on Form 10-Q for the quarter ended March 31, 2013, formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Statement of Income; (ii) Consolidated Statement of Comprehensive Income; (iii) Consolidated Balance Sheet; (iv) Consolidated Statement of Cash Flows; (v) Consolidated Statement of Equity; and (vi) Notes to Consolidated Financial Statements.

* Filed with this Form 10-Q.

** Furnished with this Form 10-Q.

(+) Compensatory plans or arrangements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized and in his capacity as Chief Accounting Officer.

Date: April 24, 2013

Schlumberger Limited
(Registrant)

/s/ Howard Guild

Howard Guild

Chief Accounting Officer and Duly Authorized Signatory

SCHLUMBERGER LIMITED
(SCHLUMBERGER N.V.)
5599 San Felipe, 17th Floor
Houston, Texas 77056

April 24, 2013

U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: *Notice of Disclosure Filed in Exchange Act Quarterly Report Under Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 and Section 13(r) of the Exchange Act*

Ladies and Gentlemen:

Pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 and Section 13(r) of the Securities Exchange Act of 1934, as amended, notice is hereby provided that Schlumberger N.V. (Schlumberger Limited) has made disclosure pursuant to such provisions in its Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2013, which was filed with the U.S. Securities and Exchange Commission on April 24, 2013. Such disclosure begins on page 24 of the Quarterly Report on Form 10-Q and is incorporated by reference herein.

Sincerely,

/s/ Alexander C. Juden

Alexander C. Juden
Secretary and General Counsel

**SCHLUMBERGER LIMITED
RESTORATION SAVINGS PLAN**

(As Amended and Restated Effective January 1, 2008)

First Amendment

Schlumberger Limited, a Curacao corporation (the "Company"), having reserved the right under Section 8.02 of the Schlumberger Limited Restoration Savings Plan, as amended and restated effective January 1, 2008, and as thereafter amended (the "Plan"), to amend the Plan, does hereby amend the Plan, effective January 1, 2013, as follows:

1. Section 2.01 of the Plan is hereby amended in its entirety to read as follows:

"2.01 Employer Determination

Each year, prior to the last day of the Enrollment Period, the Employer shall determine those Eligible Employees who may participate in the Plan during the subsequent Plan Year. Such determination shall be made in accordance with the requirements set forth in Section 2.02. The Employer may also designate Employees who are newly hired or are transferred to the Employer (each, an 'Initial Eligibility Event') as Eligible Employees regardless of the timing of such Initial Eligibility Event."

2. Section 2.02 of the Plan is hereby amended to add the following paragraph after the first paragraph of such section:

"Subject to Section 4.01, an Employee initially designated as an Eligible Employee during a Plan Year who is projected to have Excess Compensation during such Plan Year may elect to defer Base Compensation that is also Excess Compensation. Such election shall remain in effect until the first day of the Plan Year following the end of the next Enrollment Period to occur after the Employee's designation as an Eligible Employee."

3. Section 3.01 of the Plan is hereby amended to add the following sentence to the end of such section:

"Notwithstanding the above, and subject to Section 4.01, an Employee initially designated as an Eligible Employee during a Plan Year may make a deferral election within 30 days following the date such Employee is initially designated as an Eligible Employee. Such election shall remain in effect until the first day of the Plan Year following the next Enrollment Period."

4. The first sentence of Section 4.01 of the Plan is hereby amended to read as follows:

“Effective for Elective Deferrals occurring after the June 2012 Enrollment Period, an Eligible Employee may irrevocably elect to defer, in any whole percentage, an amount from 1% to 50% of such Eligible Employee’s Excess Compensation.”

5. Section 4.01 of the Plan is hereby amended to add the following paragraph to the end of such section:

“An Employee who becomes an Eligible Employee on or prior to the last day of the Enrollment Period may also make an election to defer, up to the limits set forth above, Base Compensation that is also Excess Compensation for the remainder of the Plan Year. An Employee who becomes an Eligible Employee after the last day of the Enrollment Period may make an election to defer, up to the limits set forth above: (i) Base Compensation that is also Excess Compensation earned for the remainder of the Plan Year and (ii) Base Compensation that is also Excess Compensation earned in the next following Plan Year. For purposes of clarity, an Employee’s deferral election shall remain in effect until the first day of the Plan Year following the next Enrollment Period to occur after the Employee’s designation as an Eligible Employee.”

6. Section 4.02 of the Plan is hereby amended to read as follows:

“4.02 **Matching Contributions.** Each year the Employer shall determine the Matching Contribution.

Effective January 1, 2013, for Participants who were hired prior to October 1, 2004 and for Participants who did not elect to cease participation in the Qualified Defined Benefit Plans effective January 1, 2005, the Matching Contribution shall be equal to 50% of the first 6% of each participant’s Elective Deferrals made during the Plan Year. Such contributions shall be made by the Employer as soon as administratively practicable following each payroll period.

Effective January 1, 2013, for Participants who were hired on or after October 1, 2004 and for Participants who elected to cease participation in the Qualified Defined Benefit Plans effective January 1, 2005, the Matching Contribution shall be equal to 100% of the first 6% of each participant’s Elective Deferrals made during the Plan Year. Such contributions shall be made by the Employer as soon as administratively practicable following each payroll period.”

7. Section 5.01 of the Plan is hereby amended to read as follows:

“5.01 **Allocation of Elective Deferrals.** As of each pay period, the Employer shall allocate the Elective Deferrals made during such pay period to a Participant’s Account.”

8. Section 5.02 of the Plan is hereby amended to read as follows:

“5.02 **Allocation of Matching Contributions.** As of each pay period, the Employer shall allocate the Matching Contributions, if any, among the Accounts of Participants or Former Participants who made Elective Deferrals during the such pay period.”

9. The table in Section 6.01(a) of the Plan is hereby amended to read as follows:

<u>“Completed Years of Active Service</u>	<u>Vested Percentage</u>
Less than 2 years	0%
At least 2 years but less than 3 years	33.33%
At least 3 years but less than 4 years	66.67%
4 or more years	100%”

IN WITNESS WHEREOF, the Company has caused these presents to be executed by its duly authorized officer in a number of copies, each of which shall be deemed an original but all of which shall constitute but one and the same instrument which may be sufficiently evidenced by an executed copy hereof, this 31st day of December, 2012, but effective as of the date set forth herein.

SCHLUMBERGER LIMITED

By: _____

**SCHLUMBERGER 2010 OMNIBUS STOCK INCENTIVE PLAN
2013 ONE YEAR PERFORMANCE SHARE UNIT AWARD AGREEMENT**

This Performance Share Unit Award Agreement (“Agreement”) is entered into effective by and between Schlumberger Limited (the “Company”), and Simon Ayat (“Employee”), pursuant to the Schlumberger 2010 Omnibus Stock Incentive Plan (the “Plan”). Employee and the Company agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

1. Award. In consideration of Employee’s continued employment as hereinafter set forth, the Company hereby grants to Employee an award of “Performance Share Units”, provided that (except as otherwise provided in this Agreement) the final number of Performance Share Units shall be determined in accordance with the performance criteria set forth on Attachment I. The Target Performance Share Units subject to this award is set forth in an award notice previously delivered to Employee. The Performance Share Units are notional units of measurement denominated in shares of Common Stock. Each Performance Share Unit represents a right to receive one share of Common Stock or equivalent value, subject to the conditions and restrictions on transferability set forth below and in the Plan.

2. Vesting of Performance Share Units. The period of time between the date of grant specified in the award notice (the “Grant Date”) and the vesting of Performance Share Units (and the termination of restrictions thereon) shall be referred to herein as the “Performance Period.” On January 17, 2014 (the “Vesting Date”), a number of Performance Share Units shall vest based on the extent to which the Company has satisfied the performance condition set forth on Attachment I to this Agreement, provided that Employee is continuously employed by the Company in a position eligible to receive Performance Share Units pursuant to this Agreement (as determined by the Committee in its sole and absolute discretion) (an “Eligible Position”) through the Vesting Date and has not experienced a Termination of Employment as of such date.

3. Settlement of Performance Share Units. Payment of vested Performance Share Units shall be made in shares of Common Stock as soon as administratively practicable, but in no event later than 2-1/2 months following the year in which the Performance Share Units vest (the “Settlement Date”); provided, however, that the Committee may, in its sole and absolute discretion, settle the vested Performance Share Units in cash based on the Fair Market Value of the shares of Common Stock on the Settlement Date.

4. Forfeitures of Performance Share Units.

(a) Until the Performance Period specified in Section 2 has expired, upon Employee’s Termination of Employment or Employee ceasing to be employed in an Eligible Position, Employee shall immediately forfeit all Performance Share Units, without the payment of any consideration. Upon forfeiture, neither Employee nor any successors, heirs, assigns, or legal representatives of Employee shall thereafter have any further rights or interest in the Performance Share Units.

(b) Notwithstanding any provision in this Agreement to the contrary, if Employee engages in Detrimental Activity (as defined below) prior to the Settlement Date, Employee shall immediately forfeit all Performance Share Units without the payment of any consideration.

5. Restrictions on Transfer.

(a) Performance Share Units granted hereunder to Employee may not be sold, assigned, transferred, pledged or otherwise encumbered, whether voluntarily or involuntarily, by operation of law or otherwise, other than to the Company as a result of the forfeiture of units as provided herein or pursuant to Section 10.

(b) Consistent with the foregoing, except as contemplated by Section 10, no right or benefit under this Agreement shall be subject to transfer, anticipation, alienation, sale, assignment, pledge, encumbrance or charge, whether voluntary, involuntary, by operation of law or otherwise, and any attempt to transfer, anticipate, alienate, sell, assign, pledge, encumber or charge the same shall be void. No right or benefit hereunder shall in any manner be liable for or subject to any debts, contracts, liabilities or torts of the person entitled to such benefits. If Employee shall attempt to transfer, anticipate, alienate, assign, sell, pledge, encumber or charge any right or benefit hereunder, other than as contemplated by Section 10, or if any creditor shall attempt to subject the same to a writ of garnishment, attachment, execution, sequestration, or any other form of process or involuntary lien or seizure, then such attempt shall have no effect and shall be void.

6. Rights as a Stockholder. Employee shall have no rights as a stockholder with regard to the Performance Share Units. Rights as a stockholder shall arise only if the Performance Share Units are settled in shares of Common Stock as set forth in Section 3.

7. Taxes. To the extent that the receipt of the Performance Share Units or the payment upon lapse of any restrictions results in income to Employee for federal or state income tax purposes or in any other cases where the Company holds the view that it is obligated to withhold taxes, Employee shall deliver to the Company immediately prior to the time of such receipt or lapse, as the case may be, such amount of money or shares of Common Stock owned by Employee, at Employee's election, as the Company may require to meet its obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is authorized to withhold from the payment for vested Performance Share Units or from any cash or other form of remuneration then or thereafter payable to Employee an amount equal to any tax required to be withheld by reason of such resulting compensation income. The Performance Share Units are intended to be "short-term deferrals" exempt from Section 409A and shall be construed and interpreted accordingly.

8. Changes in Capital Structure. As more fully described in the Plan, if the outstanding shares of Common Stock shall at any time be changed or exchanged by declaration of a stock dividend, stock split, combination of shares, or recapitalization, the number and kind of Performance Share Units shall be appropriately and equitably adjusted so as to maintain their equivalence to the proportionate number of shares.

9. Compliance With Securities Laws. The Company shall not be required to deliver any shares of Common Stock pursuant to this Agreement if, in the opinion of counsel for the Company, such issuance would violate the Securities Act of 1933 or any other applicable federal or state securities laws or regulations or the laws of any other country. Prior to the issuance of any shares pursuant to this Agreement, the Company may require that Employee (or Employee's legal representative upon Employee's death or Disability) enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement.

10. Assignment. The Performance Share Units are not transferable (either voluntarily or involuntarily) by the recipient except by will or the laws of descent and distribution. Payment of the Performance Share Units after your death shall be made to your estate or, in the sole and absolute discretion of the Committee, to the person or persons entitled to receive such payment under the laws of descent and distribution. No purported assignment or transfer, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the purported assignee or transferee any interest or right therein whatsoever but immediately upon any such purported assignment or transfer, or any attempt to make the same, the Performance Share Units shall terminate and become of no further effect.

11. Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by Employee, the Company and their respective permitted successors or assigns (including personal representatives, heirs and legatees). Employee may not assign any rights or obligations under this Agreement except to the extent, and in the manner, expressly permitted herein.

12. Limitation of Rights. Nothing in this Agreement or the Plan may be construed to:

- (a) give Employee any right to be awarded any further Performance Share Units (or other form of stock incentive awards) other than in the sole discretion of the Committee;
- (b) give Employee or any other person any interest in any fund or in any specified asset or assets of the Company (other than the Performance Share Units); or
- (c) confer upon Employee the right to continue in the employment or service of the Company or any Subsidiary.

13. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

14. No Waiver. The failure of Employee or the Company to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Employee or the Company may have under this Agreement shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

15. Definitions. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Plan. Certain other terms used herein have definitions given to them in the first place in which they are used. In addition, the following terms shall have the meanings set forth in this Section 15.

(a) "Detrimental Activity" means activity that is determined by the Committee in its sole and absolute discretion to be detrimental to the interests of the Company or any of its Subsidiaries, including but not limited to situations where a Employee: (i) divulges trade secrets, proprietary data or other confidential information relating to the Company or to the business of the Company and any Subsidiaries, (ii) enters into employment with or provides services to any company listed on the Philadelphia Oil Service Sector Index (or any successor index) as of the date of Employee's Termination of Employment (or any affiliate thereof) under circumstances suggesting that Employee shall be using unique or special knowledge gained as a Company employee or Subsidiary employee to compete with the Company or its Subsidiaries, (iii) engages or employs, or solicits or contacts with a view to the engagement or employment of, any person who is an officer or employee of the Company or its Subsidiaries, (iv) canvasses, solicits, approaches or entices away or causes to be canvassed, solicited, approached or enticed away from the Company or its Subsidiaries any person who or which is a customer of any of such entities during the Performance Period, (v) is determined to have engaged (whether or not prior to termination) in either gross misconduct or criminal activity harmful to the Company or a Subsidiary, or (vi) takes any action that harms the business interests, reputation, or goodwill of the Company or its Subsidiaries. The Committee may delegate its authority to determine whether Employee has engaged in "detrimental activity" to an officer of the Company or to a subcommittee of the Committee.

(b) "Disability" means such disability (whether physical or mental impairment) which totally and permanently incapacitates Employee from any gainful employment in any field which Employee is suited by education, training, or experience, as determined by the Committee in its sole and absolute discretion.

(c) "Termination of Employment" means the termination of Employee's employment with the Company and its Subsidiaries. Temporary absences from employment because of illness, vacation or leave of absence and transfers among the Company and its Subsidiaries shall not be considered a Termination of Employment. Any questions as to whether and when there has been a Termination of Employment, and the cause of such termination, shall be determined by the Committee in its sole and absolute discretion.

16. Miscellaneous.

(a) Employee hereby acknowledges that he or she has received, reviewed and accepted the terms and conditions applicable to this Agreement. Employee hereby accepts such terms and conditions, subject to the provisions of the Plan and administrative interpretations thereof. Employee further agrees that such terms and conditions shall control this Agreement, notwithstanding any provisions in any employment agreement or in any prior awards.

(b) Employee hereby acknowledges that he or she is to consult with and rely upon only Employee's own tax, legal, and financial advisors regarding the consequences and risks of this Agreement and the award of Performance Share Units.

(c) This Agreement may not be amended or modified except by a written agreement executed by the parties hereto or their respective successors and legal representatives. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(d) This Agreement shall be governed by and construed in accordance with the laws of the State of Texas (except that no effect shall be given to any conflicts of law principles thereof that would require the application of the laws of another jurisdiction). Venue for any dispute arising under this Agreement shall lie exclusively in the state and/or federal courts of Harris County, Texas and the Southern District of Texas, Houston Division, respectively.

17. Counterparts. This Agreement may be executed in counterparts, which together shall constitute one and the same original.

IN WITNESS WHEREOF, Schlumberger Limited has caused this Agreement to be duly executed by one of its officers thereunto duly authorized, and Employee has executed this Agreement, effective as of the day and year first above written.

SCHLUMBERGER LIMITED

By _____

EMPLOYEE

ATTACHMENT I
Performance Condition

Subject to the provisions of this Agreement, vesting of the Performance Share Units is conditioned upon the Company achieving annual Return on Capital Employed ("ROCE") of greater than 12.5% for the period beginning on January 1, 2013 and ending on December 31, 2013. ROCE means the sum of (i) income from continuing operations before charges and credits and (ii) the after tax impact of net interest expense, divided by the sum of (x) the average quarterly equity, including noncontrolling interests and (y) the average quarterly net debt.

The number of Performance Share Units that shall vest as of the vesting date shall be equal to the product of (i) the Target Performance Share Units and (ii) the Payout Factor (with any fractional shares rounded up to the next whole share).

The ROCE achieved shall be certified by the Committee and shall determine the Payout Factor based on the chart below. The Payout Factor for ROCE achievement levels between points on this chart shall be determined by linear interpolation between the values listed. In no event shall the Payout Factor exceed 250%. If the ROCE achieved is less than or equal to 12.5%, the Payout Factor shall be zero.

Annual ROCE Achieved	Payout Factor
Less than or equal to 12.5%	0%
15% ("Target")	100%
20%	200%
Greater than or equal to 25%	250%

**SCHLUMBERGER 2010 OMNIBUS STOCK INCENTIVE PLAN
2013 TWO YEAR PERFORMANCE SHARE UNIT AWARD AGREEMENT**

This Performance Share Unit Award Agreement (“Agreement”) is entered into effective by and between Schlumberger Limited (the “Company”), and (“Employee”), pursuant to the Schlumberger 2010 Omnibus Stock Incentive Plan (the “Plan”). Employee and the Company agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

1. Award. In consideration of Employee’s continued employment as hereinafter set forth, the Company hereby grants to Employee an award of “Performance Share Units”, provided that (except as otherwise provided in this Agreement) the final number of Performance Share Units shall be determined in accordance with the performance criteria set forth on Attachment I. The Target Performance Share Units subject to this award is set forth in an award notice previously delivered to Employee. The Performance Share Units are notional units of measurement denominated in shares of Common Stock. Each Performance Share Unit represents a right to receive one share of Common Stock or equivalent value, subject to the conditions and restrictions on transferability set forth below and in the Plan.

2. Vesting of Performance Share Units. The period of time between the date of grant specified in the award notice (the “Grant Date”) and the vesting of Performance Share Units (and the termination of restrictions thereon) shall be referred to herein as the “Performance Period.” The Performance Share Units shall become vested as follows:

(a) On January 17, 2015 (the “Vesting Date”), a number of Performance Share Units shall vest based on the extent to which the Company has satisfied the performance condition set forth on Attachment I to this Agreement, provided that Employee is continuously employed by the Company in an Eligible Position (as defined below) through the Vesting Date and has not experienced a Termination of Employment as of such date.

(b) If Employee’s Termination of Employment (as defined below) occurs due to Retirement (as defined below), Disability (as defined below) or death (each, a “Qualifying Termination”) on or after the first anniversary of the Grant Date, then on the Vesting Date Employee shall vest in the number of Performance Share Units determined by multiplying (i) the number of Performance Share Units that would have vested as determined in accordance Subsection 2(a) had Employee’s Termination of Employment not occurred and (ii) a fraction, the numerator of which is the number of days that elapsed between the Grant Date and the date of Employee’s Termination of Employment and the denominator of which is 730.

(c) If Employee ceases to be employed in a position eligible to receive Performance Share Units pursuant to this Agreement (as determined by the Committee in its sole and absolute discretion) (an “Eligible Position”) on or after the first anniversary of the Grant Date, then on the Vesting Date Employee shall vest in the number of Performance Share Units determined by multiplying (i) the number of Performance Share

Units that would have vested as determined in accordance Subsection 2(a) had Employee not ceased to be employed in an Eligible Position and (ii) a fraction, the numerator of which is the number of days that elapsed between the Grant Date and the date Employee ceased to be employed in an Eligible Position and the denominator of which is 730, provided that Employee (x) is continuously employed by the Company through the Vesting Date or (y) experiences a Qualifying Termination after Employee ceases to be employed in an Eligible Position. For the avoidance of doubt, if Employee experiences a Qualifying Termination after Employee ceases to be employed in an Eligible Position, the provisions of this Subsection 2(c) shall determine the number of Performance Share Units that shall vest on the Vesting Date. If Employee ceases to be employed in an Eligible Position and then is again employed in an Eligible Position (while remaining continuously employed by the Company) during the Performance Period, the numerator in clause (ii) of this Subsection 2(c) shall be equal to the total number of days that Employee is employed in an Eligible Position during the Performance Period.

3. Settlement of Performance Share Units. Payment of vested Performance Share Units shall be made in shares of Common Stock as soon as administratively practicable, but in no event later than 2-1/2 months following the year in which the Performance Share Units vest (the "Settlement Date"); provided, however, that the Committee may, in its sole and absolute discretion, settle the vested Performance Share Units in cash based on the Fair Market Value of the shares of Common Stock on the Settlement Date.

4. Forfeitures of Performance Share Units.

(a) Until the Performance Period specified in Section 2 has expired, upon Employee's Termination of Employment from the Company other than as described in Subsection 2(b) or Employee ceasing to be employed in an Eligible Position other than as described in Subsection 2(c), Employee shall immediately forfeit all Performance Share Units, without the payment of any consideration. Upon forfeiture, neither Employee nor any successors, heirs, assigns, or legal representatives of Employee shall thereafter have any further rights or interest in the Performance Share Units.

(b) Notwithstanding any provision in this Agreement to the contrary, if Employee engages in Detrimental Activity (as defined below) prior to the Settlement Date, Employee shall immediately forfeit all Performance Share Units without the payment of any consideration.

5. Restrictions on Transfer.

(a) Performance Share Units granted hereunder to Employee may not be sold, assigned, transferred, pledged or otherwise encumbered, whether voluntarily or involuntarily, by operation of law or otherwise, other than to the Company as a result of the forfeiture of units as provided herein or pursuant to Section 10.

(b) Consistent with the foregoing, except as contemplated by Section 10, no right or benefit under this Agreement shall be subject to transfer, anticipation, alienation, sale, assignment, pledge, encumbrance or charge, whether voluntary, involuntary, by operation of law or otherwise, and any attempt to transfer, anticipate, alienate, sell, assign, pledge, encumber or charge the same shall be void. No right or benefit hereunder shall in any manner be liable for or subject to any debts, contracts, liabilities or torts of the person entitled to such benefits. If Employee shall attempt to transfer, anticipate, alienate, assign, sell, pledge, encumber or charge any right or benefit hereunder, other than as contemplated by Section 10, or if any creditor shall attempt to subject the same to a writ of garnishment, attachment, execution, sequestration, or any other form of process or involuntary lien or seizure, then such attempt shall have no effect and shall be void.

6. Rights as a Stockholder. Employee shall have no rights as a stockholder with regard to the Performance Share Units. Rights as a stockholder shall arise only if the Performance Share Units are settled in shares of Common Stock as set forth in Section 3.

7. Taxes. To the extent that the receipt of the Performance Share Units or the payment upon lapse of any restrictions results in income to Employee for federal or state income tax purposes or in any other cases where the Company holds the view that it is obligated to withhold taxes, Employee shall deliver to the Company immediately prior to the time of such receipt or lapse, as the case may be, such amount of money or shares of Common Stock owned by Employee, at Employee's election, as the Company may require to meet its obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is authorized to withhold from the payment for vested Performance Share Units or from any cash or other form of remuneration then or thereafter payable to Employee an amount equal to any tax required to be withheld by reason of such resulting compensation income. The Performance Share Units are intended to be "short-term deferrals" exempt from Section 409A and shall be construed and interpreted accordingly.

8. Changes in Capital Structure. As more fully described in the Plan, if the outstanding shares of Common Stock shall at any time be changed or exchanged by declaration of a stock dividend, stock split, combination of shares, or recapitalization, the number and kind of Performance Share Units shall be appropriately and equitably adjusted so as to maintain their equivalence to the proportionate number of shares.

9. Compliance With Securities Laws. The Company shall not be required to deliver any shares of Common Stock pursuant to this Agreement if, in the opinion of counsel for the Company, such issuance would violate the Securities Act of 1933 or any other applicable federal or state securities laws or regulations or the laws of any other country. Prior to the issuance of any shares pursuant to this Agreement, the Company may require that Employee (or Employee's legal representative upon Employee's death or Disability) enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement.

10. Assignment. The Performance Share Units are not transferable (either voluntarily or involuntarily) by the recipient except by will or the laws of descent and distribution. Payment of the Performance Share Units after your death shall be made to your estate or, in the sole and absolute discretion of the Committee, to the person or persons entitled to receive such payment under the laws of descent and distribution. No purported assignment or transfer, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the purported assignee or transferee any interest or right therein whatsoever but immediately upon any such purported assignment or transfer, or any attempt to make the same, the Performance Share Units shall terminate and become of no further effect.

11. Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by Employee, the Company and their respective permitted successors or assigns (including personal representatives, heirs and legatees). Employee may not assign any rights or obligations under this Agreement except to the extent, and in the manner, expressly permitted herein.

12. Limitation of Rights. Nothing in this Agreement or the Plan may be construed to:

- (a) give Employee any right to be awarded any further Performance Share Units (or other form of stock incentive awards) other than in the sole discretion of the Committee;
- (b) give Employee or any other person any interest in any fund or in any specified asset or assets of the Company (other than the Performance Share Units); or
- (c) confer upon Employee the right to continue in the employment or service of the Company or any Subsidiary.

13. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

14. No Waiver. The failure of Employee or the Company to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Employee or the Company may have under this Agreement shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

15. Definitions. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Plan. Certain other terms used herein have definitions given to them in the first place in which they are used. In addition, the following terms shall have the meanings set forth in this Section 15.

- (a) "Detrimental Activity" means activity that is determined by the Committee in its sole and absolute discretion to be detrimental to the interests of the Company or any of its Subsidiaries, including but not limited to situations where a Employee: (i) divulges trade secrets, proprietary data or other confidential information relating to the Company or to the business of the Company and any Subsidiaries, (ii) enters into employment with or provides services to any company listed on the Philadelphia Oil Service Sector Index (or any successor index) as of the date of Employee's Termination of Employment (or any affiliate thereof) under circumstances suggesting that Employee shall be using unique or special knowledge gained as a Company employee or Subsidiary employee to compete with the Company or its Subsidiaries, (iii) engages or employs, or solicits or contacts with a view to the engagement or employment of, any person who is an officer or employee of the

Company or its Subsidiaries, (iv) canvasses, solicits, approaches or entices away or causes to be canvassed, solicited, approached or enticed away from the Company or its Subsidiaries any person who or which is a customer of any of such entities during the Performance Period, (v) is determined to have engaged (whether or not prior to termination) in either gross misconduct or criminal activity harmful to the Company or a Subsidiary, or (vi) takes any action that harms the business interests, reputation, or goodwill of the Company or its Subsidiaries. The Committee may delegate its authority to determine whether Employee has engaged in "detrimental activity" to an officer of the Company or to a subcommittee of the Committee.

(b) "Disability" means such disability (whether physical or mental impairment) which totally and permanently incapacitates Employee from any gainful employment in any field which Employee is suited by education, training, or experience, as determined by the Committee in its sole and absolute discretion.

(c) "Retirement" means the Termination of Employment of Employee with the Company and all Subsidiaries at or after (i) age 55 or (ii) age 50 and completion of at least 10 years of service with the Company and all Subsidiaries.

(d) "Termination of Employment" means the termination of Employee's employment with the Company and its Subsidiaries. Temporary absences from employment because of illness, vacation or leave of absence and transfers among the Company and its Subsidiaries shall not be considered a Termination of Employment. Any questions as to whether and when there has been a Termination of Employment, and the cause of such termination, shall be determined by the Committee in its sole and absolute discretion.

16. Miscellaneous.

(a) Employee hereby acknowledges that he or she has received, reviewed and accepted the terms and conditions applicable to this Agreement. Employee hereby accepts such terms and conditions, subject to the provisions of the Plan and administrative interpretations thereof. Employee further agrees that such terms and conditions shall control this Agreement, notwithstanding any provisions in any employment agreement or in any prior awards.

(b) Employee hereby acknowledges that he or she is to consult with and rely upon only Employee's own tax, legal, and financial advisors regarding the consequences and risks of this Agreement and the award of Performance Share Units.

(c) This Agreement may not be amended or modified except by a written agreement executed by the parties hereto or their respective successors and legal representatives. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(d) This Agreement shall be governed by and construed in accordance with the laws of the State of Texas (except that no effect shall be given to any conflicts of law principles thereof that would require the application of the laws of another jurisdiction). Venue for any dispute arising under this Agreement shall lie exclusively in the state and/or federal courts of Harris County, Texas and the Southern District of Texas, Houston Division, respectively.

17. Counterparts. This Agreement may be executed in counterparts, which together shall constitute one and the same original.

IN WITNESS WHEREOF, Schlumberger Limited has caused this Agreement to be duly executed by one of its officers thereunto duly authorized, and Employee has executed this Agreement, effective as of the day and year first above written.

SCHLUMBERGER LIMITED

By _____

EMPLOYEE

ATTACHMENT I
Performance Condition

Subject to the provisions of this Agreement, vesting of the Performance Share Units is conditioned upon the Company achieving average annual Return on Capital Employed ("ROCE") of greater than 12.5% for the period beginning on January 1, 2013 and ending on December 31, 2014 (the "Measurement Period"). ROCE means the sum of (i) income from continuing operations before charges and credits and (ii) the after tax impact of net interest expense, divided by the sum of (x) the average quarterly equity, including noncontrolling interests and (y) the average quarterly net debt.

The Average Annual ROCE shall be calculated as the average ROCE for each calendar year contained in the Measurement Period.

The number of Performance Share Units that shall vest as of the vesting date shall be equal to the product of (i) the Target Performance Share Units and (ii) the Payout Factor (with any fractional shares rounded up to the next whole share).

The ROCE achieved shall be certified by the Committee and shall determine the Payout Factor based on the chart below. The Payout Factor for ROCE achievement levels between points on this chart shall be determined by linear interpolation between the values listed. In no event shall the Payout Factor exceed 250%. If the ROCE achieved is less than or equal to 12.5%, the Payout Factor shall be zero.

Average Annual ROCE Achieved	Payout Factor
Less than or equal to 12.5%	0%
15% ("Target")	100%
20%	200%
Greater than or equal to 25%	250%

SCHLUMBERGER 2010 OMNIBUS STOCK INCENTIVE PLAN
2013 THREE YEAR PERFORMANCE SHARE UNIT AWARD AGREEMENT

This Performance Share Unit Award Agreement (“Agreement”) is entered into effective by and between Schlumberger Limited (the “Company”), and (“Employee”), pursuant to the Schlumberger 2010 Omnibus Stock Incentive Plan (the “Plan”). Employee and the Company agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

1. Award. In consideration of Employee’s continued employment as hereinafter set forth, the Company hereby grants to Employee an award of “Performance Share Units”, provided that (except as otherwise provided in this Agreement) the final number of Performance Share Units shall be determined in accordance with the performance criteria set forth on Attachment I. The Target Performance Share Units subject to this award is set forth in an award notice previously delivered to Employee. The Performance Share Units are notional units of measurement denominated in shares of Common Stock. Each Performance Share Unit represents a right to receive one share of Common Stock or equivalent value, subject to the conditions and restrictions on transferability set forth below and in the Plan.

2. Vesting of Performance Share Units. The period of time between the date of grant specified in the award notice (the “Grant Date”) and the vesting of Performance Share Units (and the termination of restrictions thereon) shall be referred to herein as the “Performance Period.” The Performance Share Units shall become vested as follows:

(a) On January 17, 2016 (the “Vesting Date”), a number of Performance Share Units shall vest based on the extent to which the Company has satisfied the performance condition set forth on Attachment I to this Agreement, provided that Employee is continuously employed by the Company in an Eligible Position (as defined below) through the Vesting Date and has not experienced a Termination of Employment as of such date.

(b) If Employee’s Termination of Employment (as defined below) occurs due to Retirement (as defined below), Disability (as defined below) or death (each, a “Qualifying Termination”) on or after the first anniversary of the Grant Date, then on the Vesting Date Employee shall vest in the number of Performance Share Units determined by multiplying (i) the number of Performance Share Units that would have vested as determined in accordance Subsection 2(a) had Employee’s Termination of Employment not occurred and (ii) a fraction, the numerator of which is the number of days that elapsed between the Grant Date and the date of Employee’s Termination of Employment and the denominator of which is 1095.

(c) If Employee ceases to be employed in a position eligible to receive Performance Share Units pursuant to this Agreement (as determined by the Committee in its sole and absolute discretion) (an “Eligible Position”) on or after the first anniversary of the Grant Date, then on the Vesting Date Employee shall vest in the number of Performance Share Units determined by multiplying (i) the number of Performance Share

Units that would have vested as determined in accordance Subsection 2(a) had Employee not ceased to be employed in an Eligible Position and (ii) a fraction, the numerator of which is the number of days that elapsed between the Grant Date and the date Employee ceased to be employed in an Eligible Position and the denominator of which is 1095, provided that Employee (x) is continuously employed by the Company through the Vesting Date or (y) experiences a Qualifying Termination after Employee ceases to be employed in an Eligible Position. For the avoidance of doubt, if Employee experiences a Qualifying Termination after Employee ceases to be employed in an Eligible Position, the provisions of this Subsection 2(c) shall determine the number of Performance Share Units that shall vest on the Vesting Date. If Employee ceases to be employed in an Eligible Position and then is again employed in an Eligible Position (while remaining continuously employed by the Company) during the Performance Period, the numerator in clause (ii) of this Subsection 2(c) shall be equal to the total number of days that Employee is employed in an Eligible Position during the Performance Period.

3. Settlement of Performance Share Units. Payment of vested Performance Share Units shall be made in shares of Common Stock as soon as administratively practicable, but in no event later than 2-1/2 months following the year in which the Performance Share Units vest (the "Settlement Date"); provided, however, that the Committee may, in its sole and absolute discretion, settle the vested Performance Share Units in cash based on the Fair Market Value of the shares of Common Stock on the Settlement Date.

4. Forfeitures of Performance Share Units.

(a) Until the Performance Period specified in Section 2 has expired, upon Employee's Termination of Employment from the Company other than as described in Subsection 2(b) or Employee ceasing to be employed in an Eligible Position other than as described in Subsection 2(c), Employee shall immediately forfeit all Performance Share Units, without the payment of any consideration. Upon forfeiture, neither Employee nor any successors, heirs, assigns, or legal representatives of Employee shall thereafter have any further rights or interest in the Performance Share Units.

(b) Notwithstanding any provision in this Agreement to the contrary, if Employee engages in Detrimental Activity (as defined below) prior to the Settlement Date, Employee shall immediately forfeit all Performance Share Units without the payment of any consideration.

5. Restrictions on Transfer.

(a) Performance Share Units granted hereunder to Employee may not be sold, assigned, transferred, pledged or otherwise encumbered, whether voluntarily or involuntarily, by operation of law or otherwise, other than to the Company as a result of the forfeiture of units as provided herein or pursuant to Section 10.

(b) Consistent with the foregoing, except as contemplated by Section 10, no right or benefit under this Agreement shall be subject to transfer, anticipation, alienation, sale, assignment, pledge, encumbrance or charge, whether voluntary, involuntary, by operation of law or otherwise, and any attempt to transfer, anticipate, alienate, sell, assign, pledge, encumber or charge the same shall be void. No right or benefit hereunder shall in any manner be liable for or subject to any debts, contracts, liabilities or torts of the person entitled to such benefits. If Employee shall attempt to transfer, anticipate, alienate, assign, sell, pledge, encumber or charge any right or benefit hereunder, other than as contemplated by Section 10, or if any creditor shall attempt to subject the same to a writ of garnishment, attachment, execution, sequestration, or any other form of process or involuntary lien or seizure, then such attempt shall have no effect and shall be void.

6. Rights as a Stockholder. Employee shall have no rights as a stockholder with regard to the Performance Share Units. Rights as a stockholder shall arise only if the Performance Share Units are settled in shares of Common Stock as set forth in Section 3.

7. Taxes. To the extent that the receipt of the Performance Share Units or the payment upon lapse of any restrictions results in income to Employee for federal or state income tax purposes or in any other cases where the Company holds the view that it is obligated to withhold taxes, Employee shall deliver to the Company immediately prior to the time of such receipt or lapse, as the case may be, such amount of money or shares of Common Stock owned by Employee, at Employee's election, as the Company may require to meet its obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is authorized to withhold from the payment for vested Performance Share Units or from any cash or other form of remuneration then or thereafter payable to Employee an amount equal to any tax required to be withheld by reason of such resulting compensation income. The Performance Share Units are intended to be "short-term deferrals" exempt from Section 409A and shall be construed and interpreted accordingly.

8. Changes in Capital Structure. As more fully described in the Plan, if the outstanding shares of Common Stock shall at any time be changed or exchanged by declaration of a stock dividend, stock split, combination of shares, or recapitalization, the number and kind of Performance Share Units shall be appropriately and equitably adjusted so as to maintain their equivalence to the proportionate number of shares.

9. Compliance With Securities Laws. The Company shall not be required to deliver any shares of Common Stock pursuant to this Agreement if, in the opinion of counsel for the Company, such issuance would violate the Securities Act of 1933 or any other applicable federal or state securities laws or regulations or the laws of any other country. Prior to the issuance of any shares pursuant to this Agreement, the Company may require that Employee (or Employee's legal representative upon Employee's death or Disability) enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement.

10. Assignment. The Performance Share Units are not transferable (either voluntarily or involuntarily) by the recipient except by will or the laws of descent and distribution. Payment of the Performance Share Units after your death shall be made to your estate or, in the sole and absolute discretion of the Committee, to the person or persons entitled to receive such payment under the laws of descent and distribution. No purported assignment or transfer, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the purported assignee or transferee any interest or right therein whatsoever but immediately upon any such purported assignment or transfer, or any attempt to make the same, the Performance Share Units shall terminate and become of no further effect.

11. Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by Employee, the Company and their respective permitted successors or assigns (including personal representatives, heirs and legatees). Employee may not assign any rights or obligations under this Agreement except to the extent, and in the manner, expressly permitted herein.

12. Limitation of Rights. Nothing in this Agreement or the Plan may be construed to:

- (a) give Employee any right to be awarded any further Performance Share Units (or other form of stock incentive awards) other than in the sole discretion of the Committee;
- (b) give Employee or any other person any interest in any fund or in any specified asset or assets of the Company (other than the Performance Share Units); or
- (c) confer upon Employee the right to continue in the employment or service of the Company or any Subsidiary.

13. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

14. No Waiver. The failure of Employee or the Company to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Employee or the Company may have under this Agreement shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

15. Definitions. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Plan. Certain other terms used herein have definitions given to them in the first place in which they are used. In addition, the following terms shall have the meanings set forth in this Section 15.

- (a) "Detrimental Activity" means activity that is determined by the Committee in its sole and absolute discretion to be detrimental to the interests of the Company or any of its Subsidiaries, including but not limited to situations where a Employee: (i) divulges trade secrets, proprietary data or other confidential information relating to the Company or to the business of the Company and any Subsidiaries, (ii) enters into employment with or provides services to any company listed on the Philadelphia Oil Service Sector Index (or any successor index) as of the date of Employee's Termination of Employment (or any affiliate thereof) under circumstances suggesting that Employee shall be using unique or special knowledge gained as a Company employee or Subsidiary employee to compete with the Company or its Subsidiaries, (iii) engages or employs, or solicits or contacts with a view to the engagement or employment of, any person who is an officer or employee of the

Company or its Subsidiaries, (iv) canvasses, solicits, approaches or entices away or causes to be canvassed, solicited, approached or enticed away from the Company or its Subsidiaries any person who or which is a customer of any of such entities during the Performance Period, (v) is determined to have engaged (whether or not prior to termination) in either gross misconduct or criminal activity harmful to the Company or a Subsidiary, or (vi) takes any action that harms the business interests, reputation, or goodwill of the Company or its Subsidiaries. The Committee may delegate its authority to determine whether Employee has engaged in "detrimental activity" to an officer of the Company or to a subcommittee of the Committee.

(b) "Disability" means such disability (whether physical or mental impairment) which totally and permanently incapacitates Employee from any gainful employment in any field which Employee is suited by education, training, or experience, as determined by the Committee in its sole and absolute discretion.

(c) "Retirement" means the Termination of Employment of Employee with the Company and all Subsidiaries at or after (i) age 55 or (ii) age 50 and completion of at least 10 years of service with the Company and all Subsidiaries.

(d) "Termination of Employment" means the termination of Employee's employment with the Company and its Subsidiaries. Temporary absences from employment because of illness, vacation or leave of absence and transfers among the Company and its Subsidiaries shall not be considered a Termination of Employment. Any questions as to whether and when there has been a Termination of Employment, and the cause of such termination, shall be determined by the Committee in its sole and absolute discretion.

16. Miscellaneous.

(a) Employee hereby acknowledges that he or she has received, reviewed and accepted the terms and conditions applicable to this Agreement. Employee hereby accepts such terms and conditions, subject to the provisions of the Plan and administrative interpretations thereof. Employee further agrees that such terms and conditions shall control this Agreement, notwithstanding any provisions in any employment agreement or in any prior awards.

(b) Employee hereby acknowledges that he or she is to consult with and rely upon only Employee's own tax, legal, and financial advisors regarding the consequences and risks of this Agreement and the award of Performance Share Units.

(c) This Agreement may not be amended or modified except by a written agreement executed by the parties hereto or their respective successors and legal representatives. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(d) This Agreement shall be governed by and construed in accordance with the laws of the State of Texas (except that no effect shall be given to any conflicts of law principles thereof that would require the application of the laws of another jurisdiction). Venue for any dispute arising under this Agreement shall lie exclusively in the state and/or federal courts of Harris County, Texas and the Southern District of Texas, Houston Division, respectively.

17. Counterparts. This Agreement may be executed in counterparts, which together shall constitute one and the same original.

IN WITNESS WHEREOF, Schlumberger Limited has caused this Agreement to be duly executed by one of its officers thereunto duly authorized, and Employee has executed this Agreement, effective as of the day and year first above written.

SCHLUMBERGER LIMITED

By _____

EMPLOYEE

ATTACHMENT I
Performance Condition

Subject to the provisions of this Agreement, vesting of the Performance Share Units is conditioned upon the Company achieving average annual Return on Capital Employed ("ROCE") of greater than 12.5% for the period beginning on January 1, 2013 and ending on December 31, 2015 (the "Measurement Period"). ROCE means the sum of (i) income from continuing operations before charges and credits and (ii) the after tax impact of net interest expense, divided by the sum of (x) the average quarterly equity, including noncontrolling interests and (y) the average quarterly net debt.

The Average Annual ROCE shall be calculated as the average ROCE for each calendar year contained in the Measurement Period.

The number of Performance Share Units that shall vest as of the vesting date shall be equal to the product of (i) the Target Performance Share Units and (ii) the Payout Factor (with any fractional shares rounded up to the next whole share).

The ROCE achieved shall be certified by the Committee and shall determine the Payout Factor based on the chart below. The Payout Factor for ROCE achievement levels between points on this chart shall be determined by linear interpolation between the values listed. In no event shall the Payout Factor exceed 250%. If the ROCE achieved is less than or equal to 12.5%, the Payout Factor shall be zero.

Average Annual ROCE Achieved	Payout Factor
Less than or equal to 12.5%	0%
15% ("Target")	100%
20%	200%
Greater than or equal to 25%	250%

**Rules of the Schlumberger
2010 Omnibus Stock Incentive Plan for Employees in France**

The Board of Directors (the "Board") of Schlumberger Limited (the "Company") has established the Schlumberger 2010 Omnibus Stock Incentive Plan (the "2010 Plan") in order to retain employees with a high degree of training, experience and ability, to attract new employees whose services are considered particularly valuable, to encourage the sense of proprietorship of such persons and to promote the active interest of such persons in the development and financial success of the Company and its Subsidiaries. This includes the Company's branch in France and the Company's subsidiaries in France of which the Company holds directly or indirectly at least 50% of the share capital (the "French Subsidiary").

Section 21 of the 2010 Plan specifically authorizes the Committee to establish sub-plans as the Committee deems appropriate or advisable to implement the 2010 Plan.

The Committee, therefore, intends with this document to establish a sub-plan of the 2010 Plan for the purpose of granting awards that qualify for the specific treatment applicable to French Qualified Stock-Options, French Qualified Restricted Stock Units and French Qualified Performance Share Units awards to employees who are resident of France and who are or may become subject to French tax (i.e. income tax and/or social security tax) as a result of awards granted under the 2010 Plan (the "French Grantees"). The terms of the 2010 Plan, as set out in Appendix 1, 2, 3 & 4 hereto, shall, subject to the modifications in the following rules, constitute the Rules of the Schlumberger 2010 Omnibus Stock Incentive Plan for Employees in France (the "French Plan").

The adoption of this French Plan shall not confer upon the French Grantees, or any employees of the French Subsidiary, any employment rights and shall not be construed as part of the French Grantees' employment contracts, if any. Subject to the terms of the 2010 Plan, the Committee reserves the right to amend or terminate the French Plan at any time. Such amendments would only apply to future grants and would not be retroactive.

This amendment and restatement of the French Plan is effective as of January 1, 2013 and is adopted as of April 18, 2013.

Appendix 1: French Terms applicable to Stock-Options

It is intended that Stock-Options granted under the French Plan shall qualify for the specific tax and social security charges treatment applicable to French Qualified Stock-Options granted under Articles L. 225-177 to L. 225-186 of the French Commercial Code, as subsequently amended, and in accordance with the relevant provisions set forth by French tax law and the French tax administration. The terms of the French Plan shall be interpreted accordingly and in accordance with the relevant provisions set forth by French tax and social security laws, and relevant Guidelines published by French tax and social security administrations and subject to the fulfillment of legal, tax and reporting obligations.

1. Definitions.

Capitalized terms not otherwise defined herein shall have the same meanings as set forth in the 2010 Plan. The terms set out below will have the following meanings:

(a) Option. The term “Option” shall have the following meaning:

- (1) Purchase stock options that are rights to acquire shares of Common Shares of the Company (“Shares”) repurchased by the Company prior to the vesting of the Options; or
- (2) Subscription stock options that are rights to subscribe for newly issued Shares.

(b) Closed Period. The term “Closed Period” means specific periods as set forth by Article L. 225-177 of the French Commercial Code, as amended, during which French Qualified Stock-Options cannot be granted, so long as such Closed Periods are applicable to Options, as described in Section 8 below.

(c) Grant Date. The term “Grant Date” shall be the date on which both (a) the French Grantee is designated, and (b) the terms and conditions of the Award including the number of Shares and the method for determining the Exercise Price are specified. In no event shall the Grant Date be during a Closed Period. In such a case, the Grant Date for the French Grantee would be the date described in Section 8 below.

2. Eligibility.

Options may not be granted under this appendix to an individual:

- (a) unless he is employed by Schlumberger Limited or by a company which is a corporation subsidiary of Schlumberger Limited; or

(b) unless he is a director with a management function as defined in Article 225-185 of the French “Code de Commerce” of a company which is a corporation subsidiary of Schlumberger Limited; or

(c) who owns more than 10% of the share capital of Schlumberger Limited and who may not therefore be granted an option to satisfy the requirements of sub-paragraph 2 of Article 225-182 of the French “Code de Commerce” in France.

3. Non-Transferability.

Notwithstanding any provision in the 2010 Plan and, except in the case of death, Awards cannot be transferred to any third party. In addition, the Awards are only exercisable by the French Grantee during the lifetime of the French Grantee, to the extent applicable.

4. Conditions of the Option/Exercise Price.

(a) Notwithstanding any provision in the 2010 Plan, the terms and conditions of the Options shall not be modified after the Grant Date, except that the Exercise Price and number of Shares subject to the Option may be modified as provided under Section 7 below, or as otherwise in keeping with French law.

(b) The Options will vest and become exercisable pursuant to the terms and conditions set forth in the 2010 Plan, the French Plan and the respective Option agreement delivered to each French Grantee.

(c) The method for determining the exercise price payable pursuant to Options issued under the French Plan shall be fixed by the Committee on the Grant Date, but in no event shall the Exercise Price per Share be less than the greater of:

- (1) With respect to purchase stock options, the higher of either 80% of the average quotation price of Shares during the 20 days of quotation immediately preceding the Grant Date or 80% of the average purchase price paid for such Shares by the Company;
- (2) With respect to subscription stock options, 80% of the average quotation price of Shares during the 20 days of quotation immediately preceding the Grant Date; and
- (3) The minimum exercise price permitted under Section 5(b) of the 2010 Plan.

(d) The Shares acquired upon exercise of an Option will be recorded in an account in the name of the shareholder with a broker or in such other manner as the Company may otherwise determine in order to ensure compliance with applicable law.

5. Payment of Exercise Price and Withholding.

Notwithstanding any provisions in the 2010 Plan, upon exercise or vesting of an Award, as applicable, the full Exercise Price and any required tax and/or social security contributions to be withheld by the French Subsidiary on behalf of the French Grantee will have to be paid either in cash, by check or by wire transfer. No other method of payment is authorized under this French Plan.

6. Adjustments.

Notwithstanding any provision in the 2010 Plan, adjustments to the Exercise Price and/or the number of Shares subject to an Award issued hereunder shall be made to preclude the dilution or enlargement of benefits under the Award only in the event of certain transactions by the Company listed under Article L. 225-181 of the French Commercial Code, as amended, a repurchase of Shares by the Company at a price higher than the stock quotation price on the open market, and according to the provisions of Section L. 228-99 of the French Commercial Code, as amended, as well as according to specific decrees.

7. Reorganization.

In the event that a significant decrease in the value of Awards granted to French Grantees occurs or is likely to occur as a result of a reorganization as described in the 2010 Plan, the Administrator may, in its sole discretion, but shall not be required to, authorize the immediate vesting and exercise of Awards before the date on which any such reorganization becomes effective. If this occurs, the Awards may not qualify for favorable tax and social security treatment under French law.

8. Closed Periods.

Notwithstanding any provisions in the 2010 Plan to the contrary and since Shares are traded on a regulated market, Awards shall not be granted to French Grantees during the Closed Periods defined by Article L. 225-177 of the French Commercial Code, as amended, so long as such Closed Periods are applicable to the Awards. If the Grant Date were to occur during an applicable Closed Period, the Grant Date for French Grantees shall be the first date following the expiration of the Closed Period which would not be a prohibited Grant Date under the 2010 Plan rules, as determined by the Administrator.

9. Termination of Employment/Service.

If a termination of employment is due to death, the Award shall be exercisable and vested as set forth in Section 11 below.

In the event of a termination of employment for reasons other than death, the Award shall be exercisable and vested as set forth in the applicable agreement entered into with the French Grantee.

10. Death.

In the event of the death of a French Grantee, all unforfeited Awards shall become immediately vested and exercisable. The French Grantee's heirs may exercise the Options within six months following the death, but any outstanding Option which remains unexercised shall expire six months following the date of the French Grantee's death. The six-month exercise period will apply without regard to the term of the Option.

11. Term of the Option.

The term of the Option will be ten years unless otherwise specified in the applicable Option Agreement. This term can be extended only in the event of the death of the French Grantee, and in no event will the term exceed ten years.

12. Interpretation.

In the event of any conflict between the provisions of the present French Plan and the 2010 Plan, the provisions of the French Plan shall control for any grants made thereunder to French Grantees.

Appendix 2: French Terms applicable to Restricted Stock Units

It is intended that Restricted Stock Units granted under the French Plan shall qualify for the specific tax and social security charges treatment applicable to French Qualified Restricted Stock Units granted under Articles L.225-197-1 to L.225-197-5 of the French Commercial Code, as subsequently amended, and in accordance with the relevant provisions set forth by French tax law and the French tax administration. The terms of the French Plan shall be interpreted accordingly and in accordance with the relevant provisions set forth by French tax and social security laws, and relevant Guidelines published by French tax and social security administrations and subject to the fulfillment of legal, tax and reporting obligations. The Restricted Stock Units granted under this Appendix 2 will be deemed French Qualified Restricted Stock Units.

1. Eligibility

French Qualified Restricted Stock Units may not be granted under this Addendum to an individual:

- (a) unless he is employed by Schlumberger Limited or by a company which is a corporation subsidiary of Schlumberger Limited; or
- (b) unless he is a director with a management function as defined in Article 225-197-1 of the French “Code de Commerce” in France of a company which is a corporation subsidiary of Schlumberger Limited; or
- (c) who owns more than 10% of the share capital of Schlumberger Limited

2. Vesting, Settlement and Delivery of French Qualified Restricted Stock Units

- (a) Vesting. French Qualified Restricted Stock Units shall vest as provided for in the Stock Unit Agreement.
- (b) Settlement. Payment of vested Restricted Stock Units shall only be made in shares of Common Stock.
- (c) Delivery. Notwithstanding the vesting date of the Restricted Stock Units, under no circumstances, except in case of employee’s death as provided for in section 2 (d) below, shall the delivery of the shares related to a French Qualified Restricted Stock Unit occur prior to the fourth anniversary of the Grant Date.

(d) Acceleration on Death. Upon Termination of Employment from the Company by reason of employee's death, all French Qualified Restricted Stock Units that are not vested at that time immediately will become vested in full. The Company shall issue the underlying shares to the employee's heirs, at their request, within six months following the death of the employee. Notwithstanding the foregoing, the employee's heirs must comply with the restriction on the sale of shares set forth in Section 4 below, to the extent and as long as applicable under French law.

3. No Sales Restrictions

The sale of shares issued pursuant to the conversion of the French Qualified Restricted Stock Units may occur as soon as the shares are delivered to the employee provided the closed periods in section 4 below are respected.

4. Closed periods

Shares underlying French Qualified Restricted Stock Units may not be sold during the following period ("Closed Periods"):

(a) within the 10 days before or after the publication of the annual accounts;

(b) within a period beginning with the date at which executives of Schlumberger Limited become aware of any information which, were it to be public knowledge, could have a significant impact on the price of shares in and ending 10 trading days after the information becomes public knowledge.

These Closed Periods will apply to grant of French Qualified Restricted Stock Units as long as and to the extent such Closed Periods are applicable under French law.

5. Non-transferability of French Qualified Restricted Stock Units

Except in the case of death, French Qualified Restricted Stock Units may not be transferred to any third party.

6. Adjustments to certain corporate events

Adjustments to the terms and conditions of the French Qualified Restricted Stock Units or underlying shares may be made only pursuant to applicable French legal and tax rules. Nevertheless, the Board or the Compensation Committee, at its discretion, may determine to make adjustments in the case of a transaction for which adjustments are not authorized under French law, in which case the Restricted Stock Units may no longer qualify as French Qualified Restricted Stock Units.

Appendix 3: French Terms applicable to one year and two year Performance Share Units

It is intended that Performance Share Units granted under the French Plan shall qualify for the specific tax and social security charges treatment applicable to French Qualified Performance Share Units Options granted under Articles L.225-197-1 to L.225-197-5 of the French Commercial Code, as subsequently amended, and in accordance with the relevant provisions set forth by French tax law and the French tax administration. The terms of the French Plan shall be interpreted accordingly and in accordance with the relevant provisions set forth by French tax and social security laws, and relevant Guidelines published by French tax and social security administrations and subject to the fulfillment of legal, tax and reporting obligations. The Performance Share Units granted under this Appendix 3 will be deemed French Qualified Performance Share Units.

1. Eligibility

French Qualified Performance Share Units may not be granted under this Addendum to an individual:

- (a) unless he is employed by Schlumberger Limited or by a company which is a corporation subsidiary of Schlumberger Limited; or
- (b) unless he is a director with a management function as defined in Article 225-197-1 of the French "Code de Commerce" in France of a company which is a corporation subsidiary of Schlumberger Limited; or
- (c) who owns more than 10% of the share capital of Schlumberger Limited

2. Vesting, Settlement and Delivery of French Qualified Performance Share Units

(a) Vesting. French Qualified Performance Share Units shall vest as provided for in the Share Unit Agreement.

(b) Settlement. Payment of vested Performance Share Units shall only be made in shares of Common Stock.

(c) Delivery. Notwithstanding the vesting date of the Performance Share Units, under no circumstances, except in case of employee's death as provided for in section 2 (d) below, shall the delivery of the shares related to a French Qualified Performance Share Unit occur prior to the second anniversary of the Grant Date.

(d) Acceleration on Death. Upon Termination of Employment from the Company by reason of employee's death, all French Qualified Performance Share Units that are not vested at that time immediately will become vested in full. The Company shall issue the underlying shares to the employee's heirs, at their request, within six months following the death of the employee. Notwithstanding the foregoing, the employee's heirs must comply with the restriction on the sale of shares set forth in Section 4 below, to the extent and as long as applicable under French law. However, the employee's heirs shall not need to comply with the restriction on the sale of shares set forth in Sections 3 below.

3. Sales Restrictions

The sale of shares issued pursuant to the conversion of the French Qualified Performance Share Units may not occur prior to the expiration of a two-year period as calculated from the date the Performance Share Units are converted into shares or such other period as is required to comply with the minimum mandatory holding period applicable to French Qualified Performance Share Units under Article L. 225-197-1 of the French Commercial Code. Notwithstanding the above, in case of employee's death, the employee's heirs shall not need to comply with the restriction on the sale of shares. In addition, in the event of the 2nd or 3rd category disability (as defined under Article L.341-4 of the French Social Security Code) of an employee, the employee shall not need to comply with the restriction on the sale of Shares.

4. Closed periods

Shares underlying French Qualified Performance Share Units may not be sold during the following period ("Closed Periods"):

(a) within the 10 days before or after the publication of the annual accounts;

(b) within a period beginning with the date at which executives of Schlumberger Limited become aware of any information which, were it to be public knowledge, could have a significant impact on the price of shares in and ending 10 trading days after the information becomes public knowledge.

These Closed Periods will apply to grant of French Qualified Performance Share Units as long as and to the extent such Closed Periods are applicable under French law.

5. Non-transferability of French Qualified Performance Share Units

Except in the case of death, French Qualified Performance Share Units may not be transferred to any third party.

6. Employee's account

The shares issued pursuant to the French Qualified Performance Share Units shall be recorded in an account in the name of the employee with the Company or in such other manner as the Company may otherwise determine in order to ensure compliance with the sale restrictions set forth above in section 3.

7. Adjustments to certain corporate events

Adjustments to the terms and conditions of the French Qualified Performance Share Units or underlying shares may be made only pursuant to applicable French legal and tax rules. Nevertheless, the Board or the Compensation Committee, at its discretion, may determine to make adjustments in the case of a transaction for which adjustments are not authorized under French law, in which case the Performance Share Units may no longer qualify as French Qualified Performance Share Units.

Appendix 4: French Terms applicable to three year Performance Share Units

It is intended that Performance Share Units granted under the French Plan shall qualify for the specific tax and social security charges treatment applicable to French Qualified Performance Share Units Options granted under Articles L.225-197-1 to L.225-197-5 of the French Commercial Code, as subsequently amended, and in accordance with the relevant provisions set forth by French tax law and the French tax administration. The terms of the French Plan shall be interpreted accordingly and in accordance with the relevant provisions set forth by French tax and social security laws, and relevant Guidelines published by French tax and social security administrations and subject to the fulfillment of legal, tax and reporting obligations. The Performance Share Units granted under this Appendix 4 will be deemed French Qualified Performance Share Units.

1. Eligibility

French Qualified Performance Share Units may not be granted under this Addendum to an individual:

- (a) unless he is employed by Schlumberger Limited or by a company which is a corporation subsidiary of Schlumberger Limited; or
- (b) unless he is a director with a management function as defined in Article 225-197-1 of the French "Code de Commerce" in France of a company which is a corporation subsidiary of Schlumberger Limited; or
- (c) who owns more than 10% of the share capital of Schlumberger Limited

2. Vesting, Settlement and Delivery of French Qualified Performance Share Units

- (a) Vesting. French Qualified Performance Share Units shall vest as provided for in the Share Unit Agreement.
- (b) Settlement. Payment of vested Performance Share Units shall only be made in shares of Common Stock.
- (c) Delivery. Notwithstanding the vesting date of the Performance Share Units, under no circumstances, except in case of employee's death as provided for in section 2 (d) below, shall the delivery of the shares related to a French Qualified Performance Share Unit occur prior to the fourth anniversary of the Grant Date.

(d) Acceleration on Death. Upon Termination of Employment from the Company by reason of employee's death, all French Qualified Performance Share Units that are not vested at that time immediately will become vested in full. The Company shall issue the underlying shares to the employee's heirs, at their request, within six months following the death of the employee. Notwithstanding the foregoing, the employee's heirs must comply with the restriction on the sale of shares set forth in Section 4 below, to the extent and as long as applicable under French law.

3. No Sales Restrictions

The sale of shares issued pursuant to the conversion of the French Qualified Performance Share Units may occur as soon as the shares are delivered to the employee provided the closed periods in section 4 below are respected.

4. Closed periods

Shares underlying French Qualified Performance Share Units may not be sold during the following period ("Closed Periods"):

(a) within the 10 days before or after the publication of the annual accounts;

(b) within a period beginning with the date at which executives of Schlumberger Limited become aware of any information which, were it to be public knowledge, could have a significant impact on the price of shares in and ending 10 trading days after the information becomes public knowledge.

These Closed Periods will apply to grant of French Qualified Performance Share Units as long as and to the extent such Closed Periods are applicable under French law.

5. Non-transferability of French Qualified Performance Share Units

Except in the case of death, French Qualified Performance Share Units may not be transferred to any third party.

6. Adjustments to certain corporate events

Adjustments to the terms and conditions of the French Qualified Performance Share Units or underlying shares may be made only pursuant to applicable French legal and tax rules. Nevertheless, the Board or the Compensation Committee, at its discretion, may determine to make adjustments in the case of a transaction for which adjustments are not authorized under French law, in which case the Performance Share Units may no longer qualify as French Qualified Performance Share Units.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Paal Kibsgaard, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Schlumberger Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 24, 2013

/s/ Paal Kibsgaard

Paal Kibsgaard
Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Simon Ayat, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Schlumberger Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 24, 2013

/s/ Simon Ayat

Simon Ayat

Executive Vice President and Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Schlumberger N.V. (Schlumberger Limited) (the "Company") for the quarterly period ended March 31, 2013 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paal Kibsgaard, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 24, 2013

/s/ Paal Kibsgaard

Paal Kibsgaard
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Schlumberger Limited and will be retained by Schlumberger Limited and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Exchange Act.

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Schlumberger N.V. (Schlumberger Limited) (the "Company") for the quarterly period ended March 31, 2013 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Simon Ayat, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 24, 2013

/s/ Simon Ayat

Simon Ayat
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Schlumberger Limited and will be retained by Schlumberger Limited and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Exchange Act.

Mine Safety Disclosures

The following disclosure is provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which requires certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977.

The table that follows reflects citations, orders, violations and proposed assessments issued by the Mine Safety and Health Administration (the "MSHA") to M-I LLC, which, following Schlumberger's acquisition of Smith International, Inc., is an indirect wholly-owned subsidiary of Schlumberger. The disclosure is with respect to the three months ended March 31, 2013. Due to timing and other factors, the data may not agree with the mine data retrieval system maintained by the MSHA at www.MSHA.gov.

Three Months Ended March 31, 2013

[unaudited]

(whole dollars)

Mine or Operating Name/MSHA Identification Number	Section 104 S&S Citations	Section 104(b) Orders	Section 104(d) Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	Proposed MSHA Assessments ⁽¹⁾	Mining Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e) (yes/no)	Received Notice of Potential to Have Pattern Under Section 104(e) (yes/no)	Legal Actions Pending as of Last Day of Period	Legal Actions Initiated During Period	Legal Actions Resolved During Period
Amelia Barite Plant/1600825	0	0	0	0	0	\$ 200	0	N	N	0	0	0
Battle Mountain Grinding Plant/2600828	1	0	0	0	0	\$ 0	0	N	N	1	0	1
Galveston GBT Barite Grinding Plant/4104675	0	0	0	0	0	\$ 100	0	N	N	0	0	0
Greybull Milling Operation/ 4800602	1	0	0	0	0	\$ 969	0	N	N	0	0	0
Greybull Mining Operation/ 4800603	0	0	0	0	0	\$ 0	0	N	N	0	0	0
Greystone Mine/2600411	0	0	0	0	0	\$ 2,021*	0	N	N	0	0	0
MISWACO-Alpine/4104829	0	0	0	0	0	\$ 0	0	N	N	0	0	0
MISWACO-Brownsville Grinding Plant/4103033	0	0	0	0	0	\$ 0	0	N	N	0	0	0

(1) Amounts included are the total dollar value of proposed assessments received from MSHA during the three months ended March 31, 2013, regardless of whether the assessment has been challenged or appealed. Citations and orders can be contested and appealed, and as part of that process, are sometimes reduced in severity and amount, and sometimes dismissed. The number of citations, orders, and proposed assessments vary by inspector and also vary depending on the size and type of the operation.

* As of March 31, 2013, MSHA had not yet proposed assessments for five Section 104(a) citations at Greystone Mine.