



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

APR 20 2015

FINDING OF VIOLATION

ENF [REDACTED]

[REDACTED]  
Chief Executive Officer  
Schlumberger, Ltd.  
300 Schlumberger Dr.  
Sugar Land, TX 77478

Dear Mr. [REDACTED]:

The Office of Foreign Assets Control (OFAC) has reason to believe that Schlumberger Oilfield Holdings, Ltd. ("SOHL" or "you"), a subsidiary of Schlumberger, Ltd. (collectively, "SOHL" and "Schlumberger, Ltd.," may be referred to herein as "Schlumberger"), engaged in certain conduct, detailed below, in apparent violation of the Iranian Transactions and Sanctions Regulations, 31 C.F.R. part 560 (ITSR), and the Sudanese Sanctions Regulations, 31 C.F.R. part 538 (SSR), promulgated pursuant to the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06 (IEEPA). Specifically,

**OFAC has determined that from February 2004 and continuing through June 2010, SOHL, while working with and through one of Schlumberger's business segments referred to as "Drilling & Measurements," willfully violated §§ 560.203, 560.204, 560.206, and 560.208 of the ITSR; and 538.205, 538.206, 538.210, and 538.211 of the SSR, by facilitating trade with Iran and Sudan and by exporting, and causing the export of, services to Iran and Sudan, and engaging in transactions to evade or avoid the prohibitions of the ITSR and the SSR.**

OFAC has considered the General Factors Affecting Administrative Action (the "General Factors") set forth in OFAC's Economic Sanctions Enforcement Guidelines (the "Guidelines"), 31 C.F.R. Part 501, app. A, available at [www.treasury.gov/ofac](http://www.treasury.gov/ofac), and has determined that the issuance of this Finding of Violation, in lieu of a civil monetary penalty, is the appropriate enforcement response to the transactions identified above. This Finding of Violation will represent a final enforcement response, unless OFAC later learns of additional related violations or other relevant facts, or you respond to this Finding of Violation.

In accordance with the Guidelines, Schlumberger's compliance history, including the issuance of this Finding of Violation, may be considered by OFAC in determining an appropriate enforcement response to any apparent violations of OFAC-administrated sanctions programs that come to OFAC's attention in the future. Civil monetary penalties may be imposed for violations of orders or regulations issued pursuant to IEEPA, not to exceed the greater of \$250,000 or an amount that is twice the amount of the transaction that is the basis of the violation. In appropriate circumstances, OFAC may refer the matter to appropriate law enforcement agencies for criminal investigation and/or prosecution.

**Subsequent Proceedings**

1. If Schlumberger wishes to contest this Finding of Violation, either on the basis that no violation of the Regulations has occurred or on the basis that a Finding of Violation is unwarranted for other reasons, please provide a written response within 30 days of the date of service<sup>1</sup> of this Finding of Violation. Such written response need not be in any particular form, but it should set forth in detail why Schlumberger believes either that a violation of the Regulations did not occur and/or why a Finding of Violation is otherwise unwarranted under the circumstances, with reference to the General Factors set forth in the Guidelines. Schlumberger may also provide any other information or evidence that it deems relevant to OFAC's consideration of this matter. The response should be addressed to: [REDACTED] Office of Foreign Assets Control, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW, Washington, DC 20220. A copy may be sent by facsimile to [REDACTED] but the original also must be sent to OFAC by mail or courier and must be postmarked or date-stamped. Schlumberger should retain a receipt or other evidence that shows the date that Schlumberger sent the response to OFAC. Schlumberger's written response must be postmarked no later than 30 days after the date of service of this Finding of Violation.

2. If Schlumberger provides a written response, OFAC will consider it and will (i) uphold its Finding of Violation, (ii) determine that a Finding of Violation is not warranted under the circumstances, and/or (iii) take other appropriate enforcement action consistent with the Guidelines and so inform Schlumberger.

3. Absent a timely response to this Finding of Violation, as of the date 30 days after the date of service of this Finding of Violation, the Finding of Violation will constitute a final agency determination that Schlumberger violated the Regulations, and a summary of the Finding of Violation will be posted on the OFAC Web site, without further notice to Schlumberger.

**Contact Person**

If Schlumberger has any questions concerning this matter, please feel free to contact [REDACTED] at telephone number [REDACTED]. Please have the ENF number listed at the top of this Notice available when you call.

Sincerely,



John E. Smith  
Acting Director  
Office of Foreign Assets Control

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<sup>1</sup> The date of service of this Notice is the date stamped on the first page of this Notice, unless you submit to OFAC a copy of the envelope in which this Notice was sent showing a later postmark date, in which case the later date will be the date of service.