

The New Norm: A Service Company's Perspective

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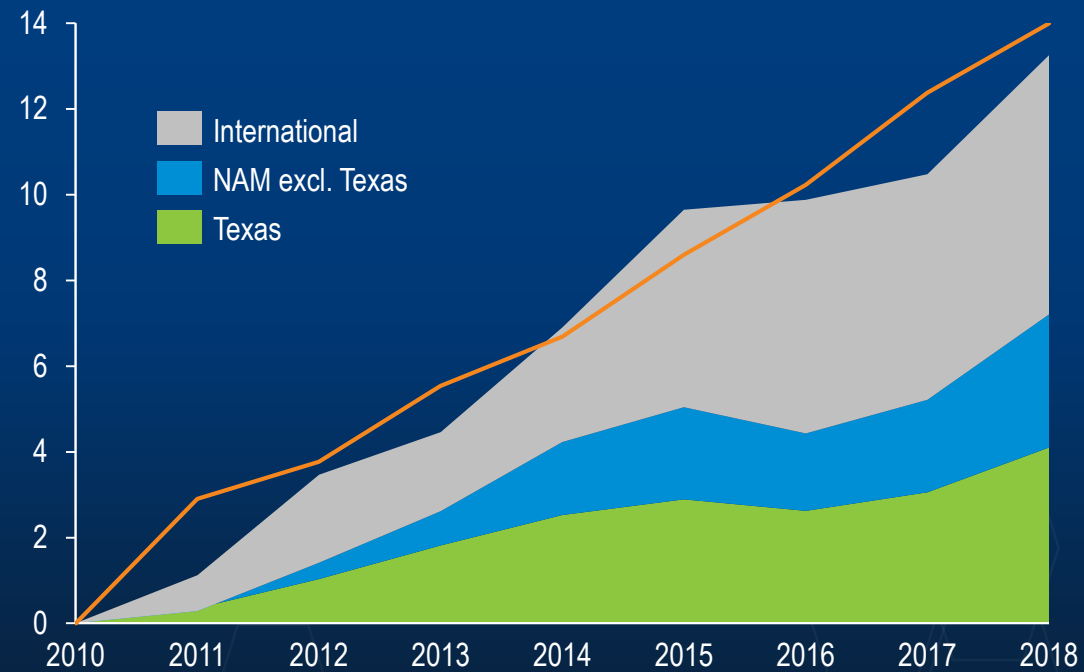
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Safe Harbor

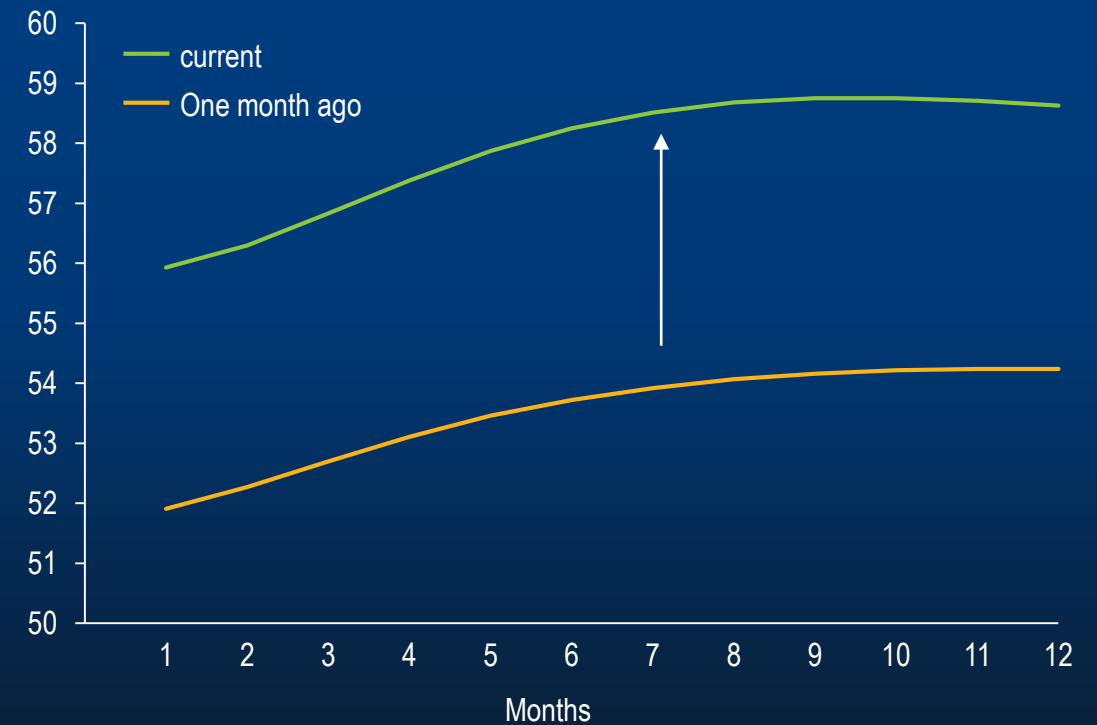
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Generally positive market sentiment

Liquids supply/demand Growth (MMbpd)

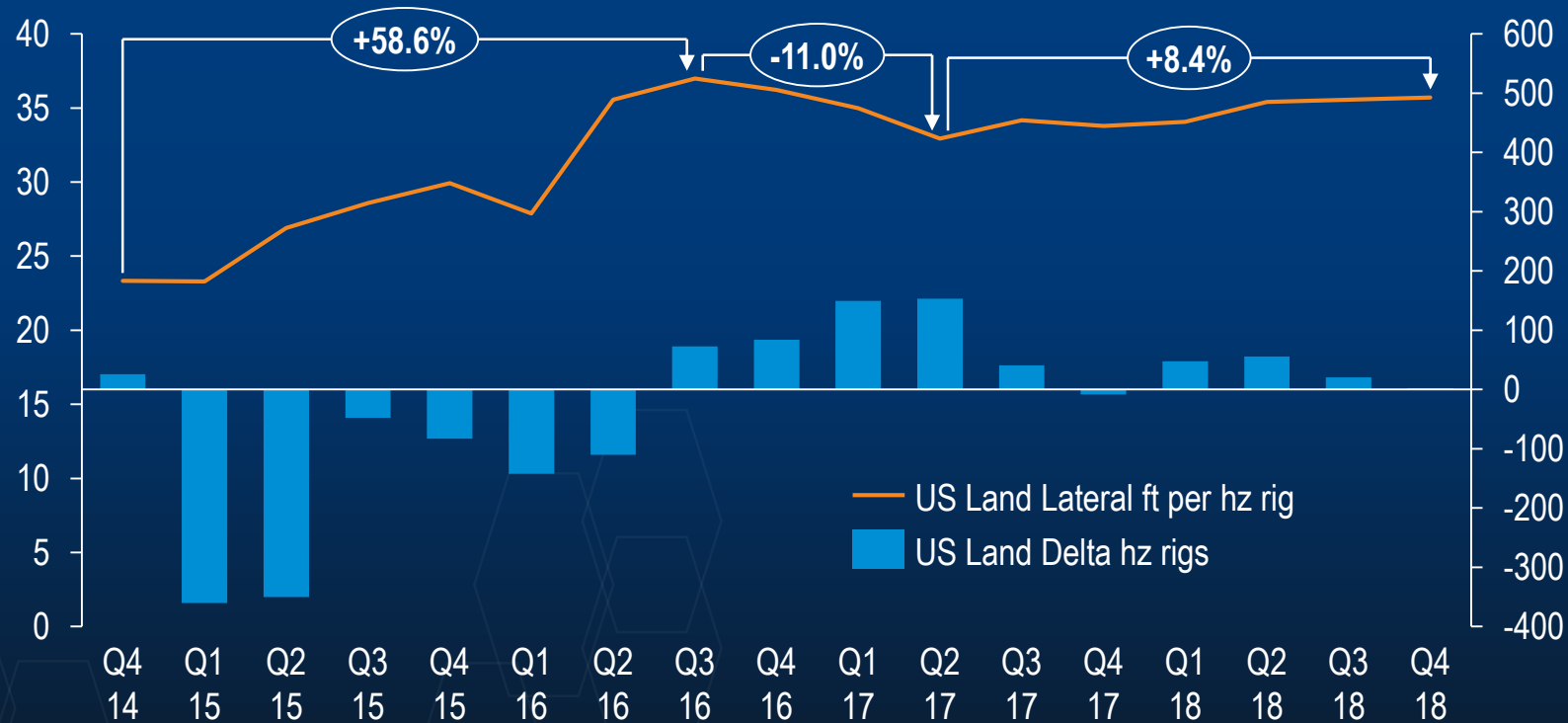


WTI Forward Curve (\$/bbl)



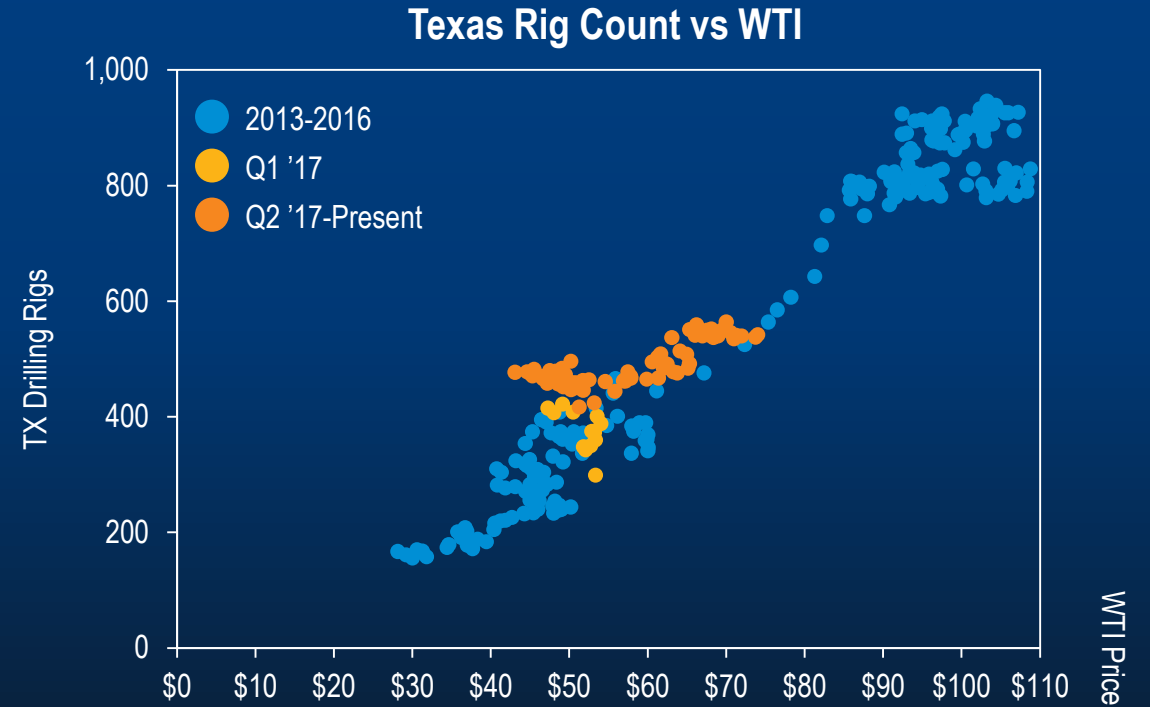
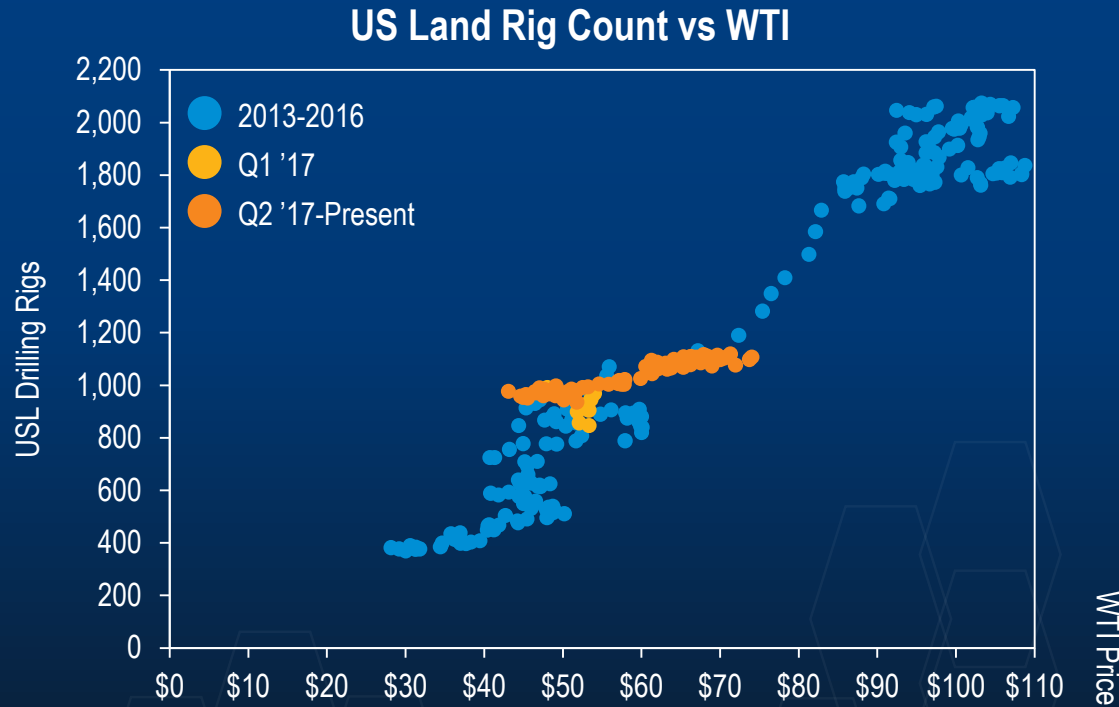
Source: IHS Jan 2019, EIA, Bloomberg, Schlumberger analysis

Highly cyclic growth comes at a cost



Source: Rystad ShaleWellCube, RigData, SLB analysis

US activity is less sensitive to price



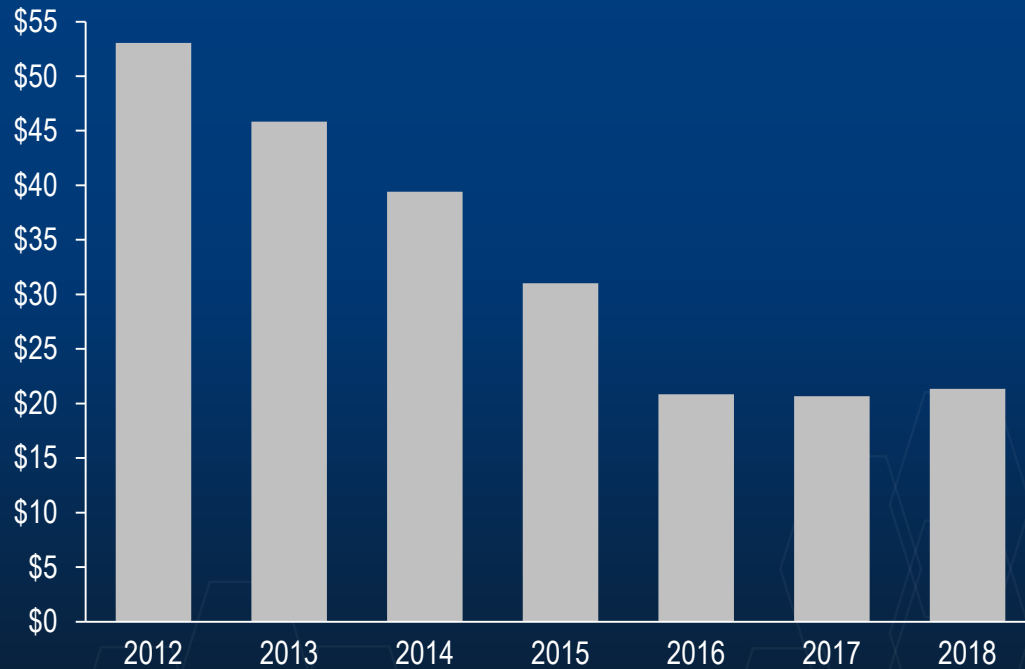
Source: EIA, RigData, SLB analysis

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"Lower cost, lower cost, lower cost" evolving to "\$/bbl"

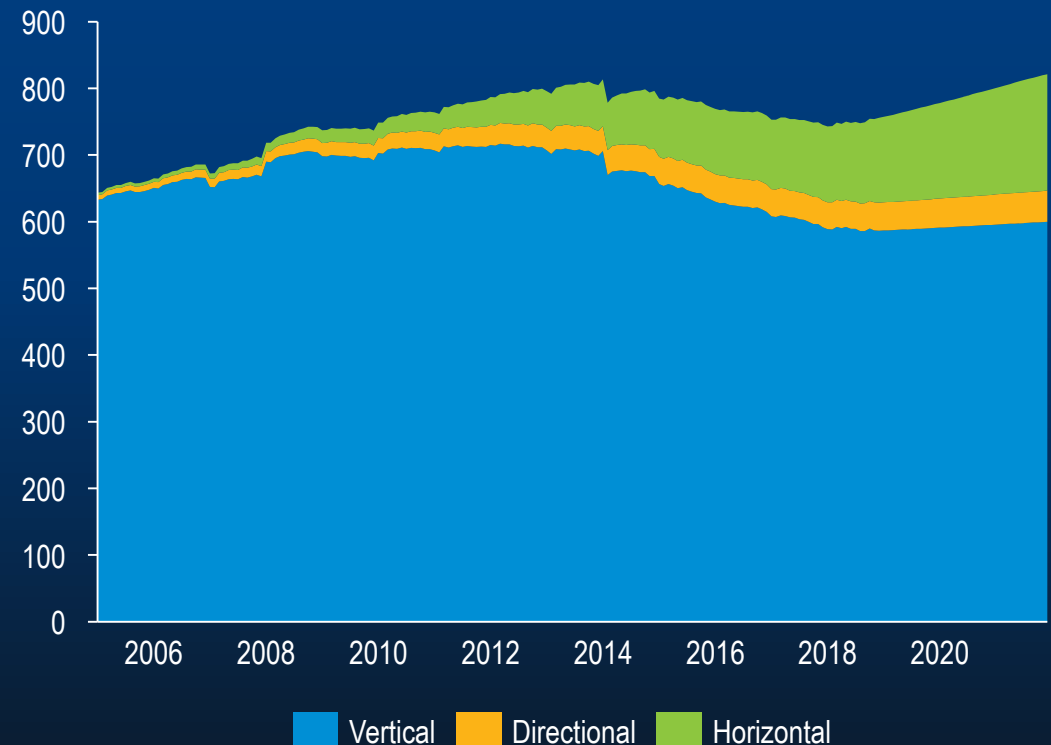
Well Cost per EUR (\$/bbl)



US Land H2 oil wells, Rystad ShaleWellCube

Source: Rystad ShaleWellCube (Well Cost per EUR for USL h2 oil wells)

USL Producing Wells (thousands)



Vertical Directional Horizontal

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What do we need in the new norm?

Agility to scale with less impact to cost, competency and service quality



Improved and more predictable margins across the whole value chain



To bring the reservoir and technology back into the discussion



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Partnering with Customers in a new way



Oxy Aventine – Schlumberger Facility

- Multi-year partnership
- Minimum activity scope
- Exclusivity of services
- Commercial structure aligned to agreed drivers
- Formalized governance

Integrating customer workflows



...17% reduction in AFE

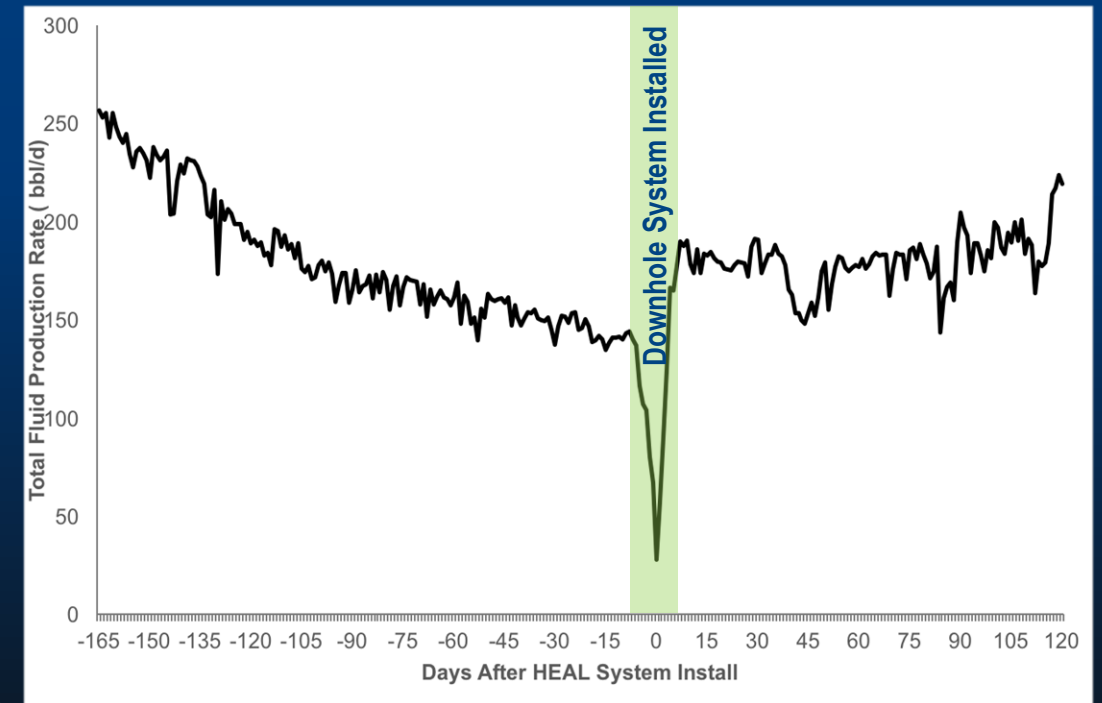
... 2,900 predictive notifications; 2,100 incidents avoided; \$21MM saved

*... HHP Hours/Fleet +108%;
Pumping Hours/Day +96%*

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Collaborating in innovative ways

Commercial flexibility at the pyramid base



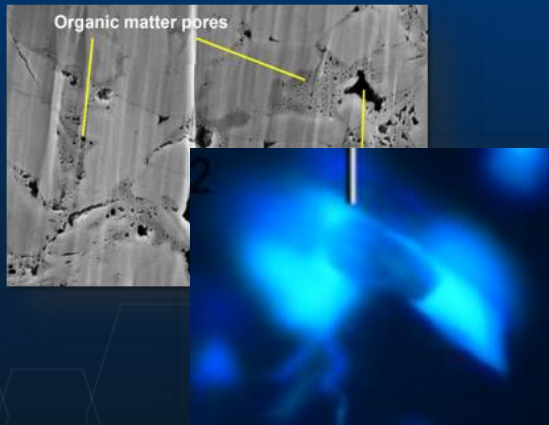
Wolfcamp, Permian Basin Case Study

Source: Heal Systems, Schlumberger Analysis

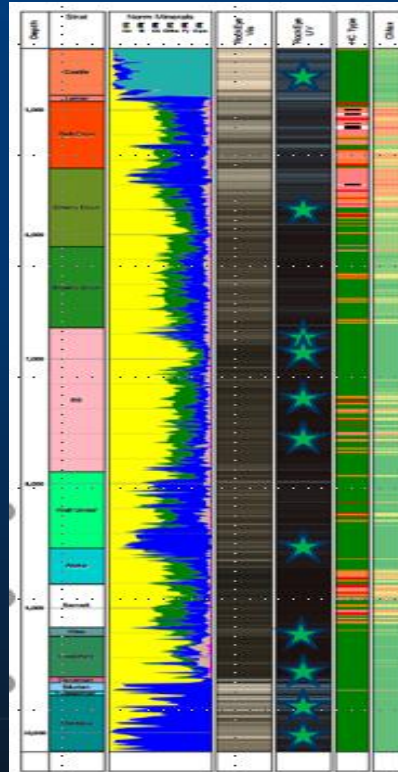
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Investing in Unconventional Analysis

Fluid Intrusion

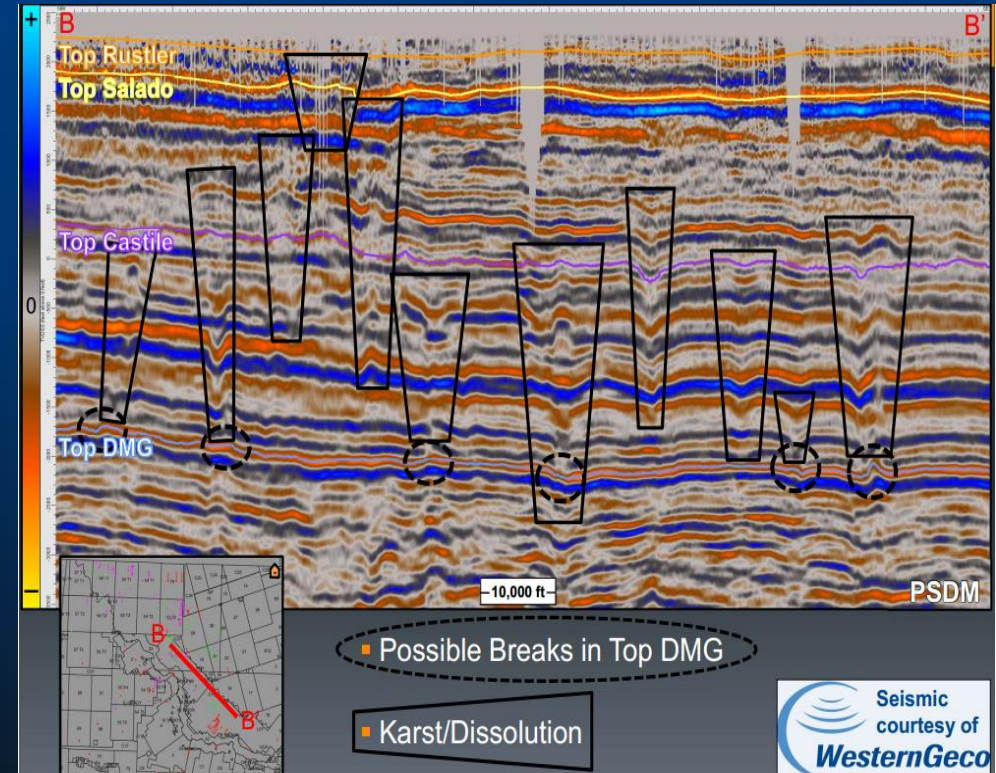


Effective Completion



Seismic to Engineering

Shallow Hazard Avoidance



Source: Courtesy of Anadarko

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Summary

- The outlook is generally positive, less sensitive to price and focused on returns.
- The "new norm" requires:
 - agility and scalability
 - improved margins across the whole value chain
 - technology and a reservoir-centric approach fit for unconventional.
- Schlumberger is uniquely positioned to support our customers.