

U.S. Nuclear Regulatory Commission - Region IV  
Nuclear Materials Licensing Section  
612 East Lamar Boulevard, Suite 400  
Arlington, TX 76011-4125

RECEIVED

OCT 25 2010

October 22, 2010

DNMS

**RE: NRC Radioactive Material License No. 17-27623-01 (Docket No. 030-34946)  
Corporate Ownership Reorganization of PathFinder Energy Services, LLC  
Request for Consent to Indirect License Transfer  
ATTN: Roberto Torres**

Dear Mr Torres:

The purpose of this submittal is to supplement our notification to the NRC on September 20, 2010, regarding the restructuring of Schlumberger Limited ("Schlumberger"). In particular, it is planned that Schlumberger will undergo a further reorganization that could affect the materials license held by its indirectly held, wholly-owned subsidiary, PathFinder Energy Services, LLC ("PathFinder"). This planned reorganization is intended to be effective on January 1, 2011. As described in our letter of September 20, 2010, PathFinder is currently owned by Smith International, Inc., a subsidiary of Schlumberger BV ("SLBV"), which itself is a wholly-owned subsidiary of Schlumberger. PathFinder is a United States corporation organized under the laws of the state of Louisiana. Following the reorganization, Smith International, Inc. will be owned by Schlumberger Holdings Corporation ("SL-Holdings"), incorporated in the state of Delaware, which will be a wholly owned subsidiary of Schlumberger BV (SLBV"), which will remain a wholly-owned subsidiary of Schlumberger.

PathFinder is the holder of one NRC materials license: Materials License No. 17-27623-01 (Docket No. 030-34946). Notwithstanding the insertion of SL-Holdings above PathFinder in the ownership structure, PathFinder remains the licensee for their license and will remain in control of all licensed activities. The reorganization will not alter any of the terms and conditions of PathFinder's conduct of licensed activities under their license. There will be no change in the organization, equipment or procedures relating to PathFinder's Radiation Safety Program. I, Andrew Neil, remain the named Radiation Safety Officer for PathFinder's license.

In the circumstances here, Schlumberger remains the ultimate corporate parent of PathFinder. SLBV is a wholly-owned subsidiary of Schlumberger and SL-Holdings will be a wholly-owned subsidiary of SLBV. PathFinder will continue to be directly responsible for fully

complying with all regulatory obligations under its license. In addition, PathFinder has reviewed the relevant guidance of NUREG-1556, Volume 15, Chapter 5 and Appendix D, and believes that the corporate reorganization here does not, in the end, result in a transfer of control of PathFinder's license. Nevertheless, PathFinder concludes that supplemental information in advance of the reorganization should be submitted.

Enclosure (1) provides information relating to the NRC's evaluation of an indirect transfer of control, as provided in Appendix F of NUREG-1556, Vol. 15, 'Consolidated Guidance About Materials Licenses: Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Material Licenses.' Enclosure (2) provides a simplified organization chart reflecting PathFinder's prospective ownership structure.

We appreciate your efforts to review the enclosed information, and would be pleased to meet with you and provide any additional information you might need to expedite your review. If you need further information, please contact me at 281-769-4515.

Sincerely,



Andrew Neil  
Director Radiation Safety & Corporate Radiation Safety Officer  
PathFinder Energy Services, LLC

Enclosure (1): Information Supporting Request for Prior Written Consent to Indirect Transfer of Control of a Materials License

Enclosure (2): Simplified Organization Chart

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**PATHFINDER ENERGY SERVICES, LLC  
Materials License No. 17-27623-01**

**Information Supporting Request For Consent To  
Indirect Transfer Of Control Of A Materials License**

This information is submitted consistent with NUREG-1556, Vol. 15, Chapter 5 (November 2000), Consolidated Guidance About Materials Licenses – Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses. The information is submitted with respect to PathFinder Energy Services, LLC's ("PathFinder") request for consent to the indirect transfer of control of a materials license.

1. Provide a complete description of the transaction (i.e., transfer of stocks or assets, or merger). Indicate whether the name has changed and include the new name. Include the name and telephone number of a licensee contact who NRC may contact if more information is needed.

A. Description of the transaction:

PathFinder Energy Services, LLC (PathFinder) is a wholly-owned subsidiary of Smith International, Inc., which, in turn, is a subsidiary of Schlumberger B.V., a wholly-owned subsidiary of Schlumberger Limited, a multinational company organized under the laws of Curaçao.<sup>1</sup> Following the planned reorganization on January 1, 2011, it is intended that Smith International, Inc. will become a wholly-owned subsidiary of Schlumberger Holdings Corporation, organized under the laws of Delaware. Schlumberger Holdings Corporation will be a wholly-owned subsidiary of Schlumberger B.V. which will remain a wholly-owned subsidiary of Schlumberger Limited. PathFinder will remain a subsidiary of Smith International, Inc.

The planned reorganization will not affect the operations of PathFinder, nor will it affect any of the terms and conditions under which it carries out licensed activities under either of its two licenses. None of the individuals with control over licensed activities will change as a result of the reorganization. The reorganization does not change the existing financial and technical qualifications of PathFinder, and it does not involve any changes to any existing permit requirements.

B.  No name change

New name of licensed organization:

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<sup>1</sup> As the result of constitutional reforms agreed to by the Netherlands Antilles and the Kingdom of the Netherlands, effective October 10, 2010, the Netherlands Antilles were dissolved and Curaçao became an autonomous country within the Kingdom of the Netherlands.

C.  No change in contact

New contact:

New telephone number:

2. Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel.

A.  No changes in personnel having control over licensed activities.

Changes in personnel having control over licensed activities (e.g. officers of a corporation):

B.  No changes in personnel named in the license.

Changes in personnel named in the license (e.g., RSO, AUs) - include training, experience and responsibilities:

3. Describe, in detail, any changes in the organization, location, facilities, equipment or procedures that relate to the licensed program.

Organization:

Equipment:

Location:

Procedures:

Facility:

Not applicable

There will be no changes in the organization, location, facilities, equipment, or procedures that relate to any licensed program of PathFinder.

4. Describe the status of the surveillance program (i.e., surveys, wipe tests, quality control) at the present time and the expected status at the time that control is to be transferred.

A. Description of the status of all surveillance programs:

The surveillance program outlined in the two licenses shall remain the same as before the reorganization. There shall be no change in surveillance activities including calibrations, leak tests, surveys, inventories, and other accountability requirements.

B. Surveillance Items & Records: calibrations, leak tests, surveys, inventories, and accountability requirements will be current at the time of transfer for the two licenses.

Yes  No (explain)

5. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.

Records transferred to:

New licensee  NRC for license termination  Not applicable

6. Confirm that the transferee will abide by all constraints, conditions, requirements and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.

or

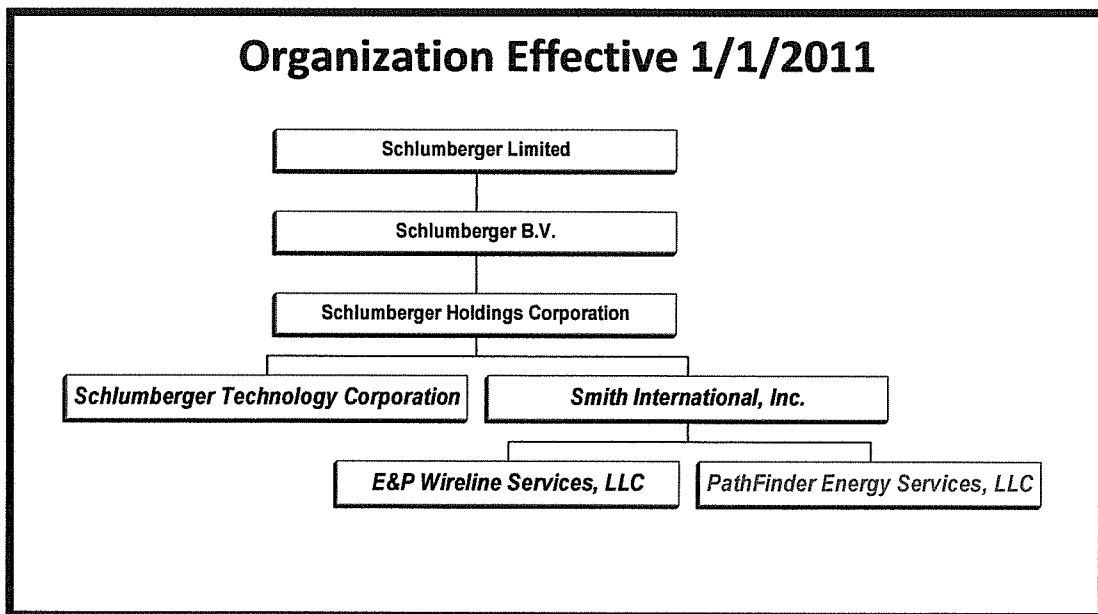
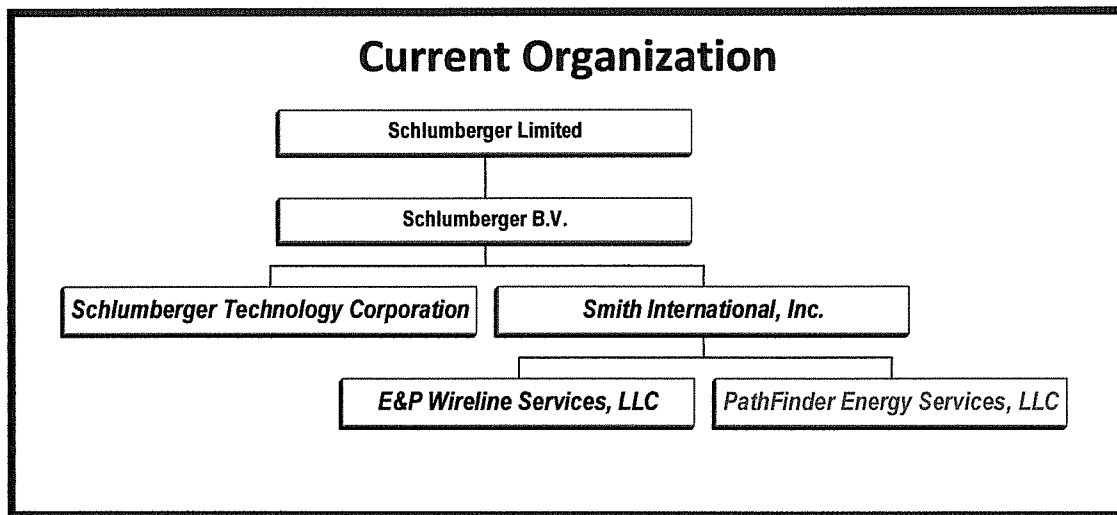
Description of proposed licensed program from transferee attached (with signature)

or

Not applicable (name change only)

As discussed in the forwarding letter, following the reorganization of PathFinder's ownership structure, PathFinder will remain the licensee under its license. This confirms that PathFinder will continue to be responsible for adhering to all constraints, conditions, requirements and commitments of its license.

# Simplified Organization Chart for Schlumberger Technology Corporation, E&P Wireline Services, LLC, and PathFinder Energy Services, LLC



From: Origin ID: SGRA (281) 285-8492  
Sandra Duffey  
Schlumberger  
200 Gillingham Lane  
Room 207  
Sugar Land, TX 77478



Ship Date: 22OCT10  
ActWgt: 1.0 LB  
CAD: 100112641/INET3090

Delivery Address Bar Code

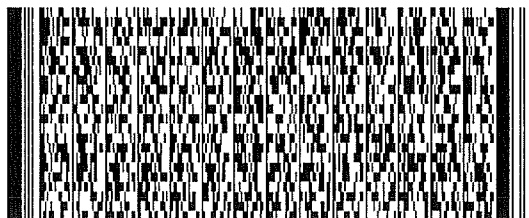


Ref # DICKES  
Invoice #  
PO #  
Dept #

SHIP TO: (817) 860-8100 BILL SENDER

**Roberto Torres**  
Nuclear Regulatory Agency  
612 E LAMAR BLVD STE 400

ARLINGTON, TX 76011



TRK# 7963 7149 7880  
0201

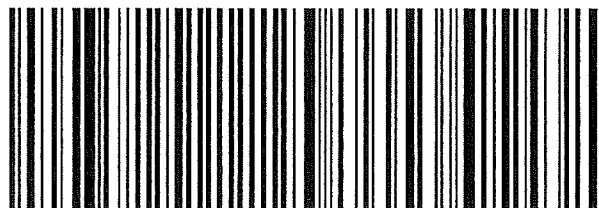
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