

SCHLUMBERGER LTD /NV/
Form 4
October 31, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
AYAT SIMON

2. Issuer Name and Ticker or Trading Symbol
SCHLUMBERGER LTD /NV/
[SLB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
5599 SAN FELIPE 17TH FLOOR
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
10/27/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VICE PRESIDENT

HOUSTON, TX 77056

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 10/27/2006 | | M | 21,980 A \$ 25.45 | 57,721 | D | |
| Common Stock | 10/27/2006 | | S | 21,980 D \$ 63.56 | 35,741 | D | |
| Common Stock | 10/27/2006 | | M | 40,366 A \$ 27.81 | 76,107 | D | |
| Common Stock | 10/27/2006 | | S | 40,366 D \$ 62.88 | 35,741 | D | |
| Common Stock | 10/27/2006 | | M | 3,592 A \$ 27.81 | 39,333 | D | |

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| | | | | | | | |
|--------------|------------|---|--------|---|-----------|--------|---|
| Common Stock | 10/27/2006 | S | 3,592 | D | \$ 62.88 | 35,741 | D |
| Common Stock | 10/27/2006 | M | 21,320 | A | \$ 23.445 | 57,061 | D |
| Common Stock | 10/27/2006 | S | 1,520 | D | \$ 62.98 | 55,541 | D |
| Common Stock | 10/27/2006 | M | 22,638 | A | \$ 23.445 | 78,179 | D |
| Common Stock | 10/27/2006 | S | 10,000 | D | \$ 63.34 | 68,179 | D |
| Common Stock | 10/27/2006 | S | 12,638 | D | \$ 63.3 | 55,541 | D |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | | |
|---|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (right to buy) w/ tandem Tx w/h right | \$ 23.445 <u>(1)</u> | 10/27/2006 | | M | 22,638 <u>(1)</u> | 10/20/1999 ⁽²⁾ | 10/20/2008 | Common Stock | 22,638 <u>(1)</u> |
| Employee Stock Option (right to buy) w/ tandem Tx w/h right | \$ 25.45 <u>(1)</u> | 10/27/2006 | | M | 21,980 <u>(1)</u> | 01/21/1998 ⁽³⁾ | 01/21/2007 | Common Stock | 21,980 <u>(1)</u> |

| | | | | | | | | |
|---|------------------|------------|---|---------------|---------------|------------|--------------|---------------|
| Employee Stock Option (right to buy) w/ tandem Tx w/h right | \$ 27.81 (1) | 10/27/2006 | M | 40,366 (1) | 04/21/2000(4) | 04/21/2009 | Common Stock | 40,366 (1) |
| Incentive Stock Option (right to buy) | \$ 23.445 (1) | 10/27/2006 | M | 21,320 (1) | 10/20/1999(2) | 10/20/2008 | Common Stock | 21,320 (1) |
| Incentive Stock Option (right to buy) | \$ 27.81 (1) | 10/27/2006 | M | 3,592 (1) | 04/21/2000(4) | 04/21/2009 | Common Stock | 3,592 (1) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------|-------|
| | Director | 10% Owner | Officer | Other |
| AYAT SIMON 5599 SAN FELIPE 17TH FLOOR HOUSTON, TX 77056 | | | VICE PRESIDENT | |

Signatures

By: /s/Lynda M. Quagliara Attorney-in-Fact For: Simon Ayat 10/31/2006

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares and option price were adjusted for the March 1, 2006 2 for 1 stock split.
- (2) Exercisable in five equal annual installments beginning October 20, 1999.
- (3) The option became exercisable in five equal installments beginning January 21, 1998.
- (4) Exercisable in five equal annual installments beginning April 21, 2000.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.