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| SUBJECT COMPLIANCE | SECTION – BUSINESS ETHICS | NUMBER – 200.50.2 | PAGE - 1 of 2 |
| | EFFECTIVE DATE - February 1, 2010 | SUPERCEDES ISSUE DATED – November 5, 2002 | |

POLICY

The Company's Board of Directors has determined that a primary goal of the Company is to conduct its business in accordance with the highest business, ethical and legal standards. For this reason, the Board of Directors has adopted the Business Ethics policies set forth in this section. The Business Ethics policies apply to all directors, officers and employees of the Company and its wholly owned subsidiaries.

PROCEDURE

The Company shall consistently enforce the Business Ethics policies through appropriate means of discipline. With input from the General Counsel and subject to procedural review by the Company's Board of Directors, the Company's President shall determine whether violations of Business Ethics policies have occurred and, if so, shall determine the disciplinary measures to be taken against any director, officer, employee or agent of the Company who has so violated the Business Ethics policies.

The disciplinary measures may include counseling, oral or written reprimands, warnings, probation or suspension with or without pay, demotions, reductions in salary, termination of employment and restitution. The persons subject to discipline shall include, in addition to the violator, others involved in the wrongdoing, such as (i) persons who fail to use reasonable care to detect a violation, (ii) persons who, if requested to divulge information, withhold material information regarding a violation, and (iii) supervisors who approve or condone the violations or attempt to retaliate against directors, officers, employees or agents for reporting violations or violators.

IMPLEMENTATION

1. Any director, officer or employee of the Company having knowledge of any act or omission prohibited or required by the Business Ethics policies shall promptly report such matter to his/her immediate supervisor, another senior officer, or to the President of the Company. If a director, officer or employee is uncomfortable about personally bringing a matter to the attention of these persons, the director, officer or employee may send a written disclosure of the matter with all available details to the Company's ethics and compliance officer at the following address:

Nabors Corporate Services, Inc.
 Attn: General Counsel
 515 West Greens Road, Suite 1200
 Houston, Texas 77067

The matter will be investigated promptly and appropriate action taken.



2. It shall be the duty of every director, officer and manager of the Company to ensure that they and the employees under their supervision, if any, are made aware of this policy and the Company's expectation that all directors, officer and employees will strictly adhere hereto and comply herewith.
3. A director, officer or employee having information or knowledge of any prohibited act listed in the Business Ethics policies, any violation of law, or any other unethical act that may be considered of the same nature shall promptly report such matters to his/her supervisor, another senior officer, the Company President or the General Counsel as provided above.

Directors, upon their appointment as such, and employees upon hiring, will be required to sign an acknowledgement of this policy. Directors and salaried employees will be requested at least annually to sign a Certificate of Compliance [See HR Policy Manual / HR Forms or Nabors Net / HR Forms] and disclose any situations related to the Company's Business Ethics policies; however, the Company reserves the right to request any director, officer or employee to submit such information at any time. The final decision as to the existence of a potential violation of the Business Ethics policies will be made by senior management of the Company. The Business Ethics policies, including any disclosure required thereby, shall have equal applicability to any member of an employee's immediate family acting on confidential information or advice from an employee, or otherwise influenced by him or her, and who could, as a consequence, seek to benefit improperly from transactions involving the Company.

4. The Company will conduct periodic training on ethical behavior and the Code of Business Conduct, particularly for employees in sensitive positions e.g. buyers, engineers, Accounts Payable personnel, supervisors, and managers.

In addition, the Company will conduct periodic audits to monitor and enforce compliance with the Code of Business Conduct and the Business Ethics policies, including but not limited to those dealing with conflicts of interest, related party transactions, insider trading, restriction of trade, money laundering, corruption, bribery and dealing with suspected terrorist groups.

5. Anyone who in good faith raises an issue regarding a possible violation of law or Company policy will be protected from retaliation by any Company employee. It is a violation of this Policy for anyone to be discriminated against or harassed for contacting the Human Resources or Law Department or for making a good faith report to the Company of a suspected violation of law or policy.