

FORM PTO-1596  
(Rev. 5-03)  
OMB No. 3651-0011 (exp. 4/04)

RECORDATION FORM COVER SHEET

U.S. Department of Commerce  
Patent and Trademark Office

PATENTS ONLY

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original document or copy thereof.

1. Name of conveying party(ies):

Clearwater, Inc.

Additional name(s) of conveying party(ies) attached?  Yes  No

3. Nature of conveyance:

- Assignment  Merger
- Security Agreement  Change of Name
- Other

Execution Date: October 25, 2002

2. Name and address of receiving party(ies):

Name: Clearwater International, L.L.C.

Internal Address: \_\_\_\_\_

Street Address: 515 Post Oak Blvd. Suite 600

City: Houston State: TX Zip: 77027

Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or registration number(s): 10/223,259, filed August 19, 2002

If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_ (Date of Filing)

A. Patent Application No.(s)

B. Patent No.(s)

Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: William B. Patterson

Internal Address: MOSEY, PATTERSON & SHERIDAN, L.L.P.

Street Address: 3040 Post Oak Boulevard, Suite 1500

City: Houston State: TX Zip: 77056

6. Total number of applications and patents involved: 1

7. Total fee (37 C.F.R. 3.41)----- \$ 40.00

Enclosed

Authorized to be charged to deposit account

20-0782/WEAT/0423.D1/JCH

8. Deposit account number:

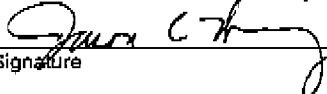
20-0782/WEAT/0423.D1/JCH

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Jason C. Huang, Reg. No. 46,222  
Name of Person Signing

  
Signature

Sept. 17, 2003  
Date

Total number of pages including cover sheet, attachments and document: 10

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231

CH \$40.00 200782 10223259

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**ASSIGNMENT OF PATENTS**

This Assignment of Patents (this "Assignment") is made this 23<sup>rd</sup> day of October, 2002, by and between Clearwater, Inc., a Pennsylvania corporation, Transit Energy Systems, Inc., a Delaware corporation, Clearwater Specialty Chemical Company, a Nova Scotia company, PriTech International, Inc., a Texas corporation, CWI International, Inc., a Delaware corporation, and Clearwater International, L.L.C., a Delaware limited liability company.

WHEREAS, Clearwater, Inc., Transit Energy Systems, Inc., Clearwater Specialty Chemical Company, Pritech International, Inc., and CWI International, Inc. (individually and collectively referred to as "CLEARWATER") is the sole and exclusive owner of all rights, title and interest in and to the patents and patent applications listed on the attached Appendix A ("Patent Assets"); and

WHEREAS, Clearwater International, L.L.C., 515 Post Oak Blvd., Suite 600, Houston, Texas 77027, USA, hereinafter referred to as "ASSIGNEE", is desirous of acquiring all rights, title and interest in the Patent Assets.

NOW, THEREFORE, for and in consideration of One Dollar (\$1.00) and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by CLEARWATER, CLEARWATER has assigned, sold, transferred and set over and by these presents does hereby assign, sell, transfer and set over unto said ASSIGNEE the all rights, title and interest in and to said Patent Assets, including but not limited to: (a) all world-wide rights therein, (b) all reissues, reexaminations, divisions, continuations, continuations-in-part, renewals, and extensions thereof, and (c) all United States and foreign patents which shall issue on any pending patent applications forming part of Patent Assets,, the same to be held and enjoyed by said ASSIGNEE, its assigns and successors, as fully and entirely as the same would have been held and enjoyed by CLEARWATER, had this assignment and sale not been made.

CLEARWATER covenants and agrees that it will, at any time upon the request and at the expense of said ASSIGNEE, execute and deliver any and all papers and to all lawful acts that may be necessary or desirable, in the opinion of said ASSIGNEE, to enable and assist said ASSIGNEE (a) obtain Letters Patent, both domestic and foreign, as part of Patent Assets, (b) establish, maintain and secure title in said ASSIGNEE, its successors and assigns to said Patent Assets, including making such title of lawful public record, and (c) defend, establish or otherwise preserve the validity of said Patent Assets against any and all infringers, and perform such other acts are necessary to give full force and effect to this assignment.

CLEARWATER hereby authorizes and requests the Commissioner of Patents of the United States and the respective Patent Offices around the world to issue all Letters Patents forming part of and arising out of patent applications forming part of Patent Assets to said ASSIGNEE, its successors and assigns.

This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment as of the date first above written.

CLEARWATER:

CLEARWATER, INC.

By: Kevin W. Smith  
Name: Kevin W. Smith  
Title: CEO

STATE OF Pennsylvania §  
COUNTY OF Allegheny §

This instrument was acknowledged before me on October 25, 2002, by Kevin W. Smith, CEO of Clearwater, Inc., a Pennsylvania corporation, on behalf of said corporation.

My Commission Expires: \_\_\_\_\_

Linda A. Boggsdorfer  
Notary Public

Notarial Seal  
Linda A. Boggsdorfer, Notary Public  
City of Pittsburgh, Allegheny County  
My Commission Expires June 29, 2003  
Member, Pennsylvania Association of Notaries

TRANSIT ENERGY SYSTEMS, INC.

By: Kevin W. Smith  
Name: Kevin W. Smith  
Title: CEO

STATE OF Pennsylvania §  
COUNTY OF Allegheny §

This instrument was acknowledged before me on October 25, 2002, by Kevin W. Smith, CEO of Transit Energy Systems, Inc., a Delaware corporation, on behalf of said corporation.

My Commission Expires: \_\_\_\_\_

Linda A. Boggsdorfer  
Notary Public

Notarial Seal  
Linda A. Boggsdorfer, Notary Public  
City of Pittsburgh, Allegheny County  
My Commission Expires June 29, 2003  
Member, Pennsylvania Association of Notaries





**APPENDIX - A**

The following US Patents and patent applications, and any and all foreign counterparts thereto:

1. US 5,128,049, Gatlin, "Method for Reducing the Hydrogen Sulfide Content...".
2. US 5,211,239, Thomas and Smith, "Method of Maintaining Subteranean Formation Permeability and Inhibiting Clay Swelling".
3. US 5,417,287, Smith and Persinski, "Hydrocarbon Gels Useful in Formation Fracturing".
4. US 5,486,605, Gatlin, "Composition For Converting Hydrogen Sulfide...".
5. US 5,488,103, Gatlin, "Composition For Converting Hydrogen Sulfide...".
6. US 5,498,707, Gatlin, "Composition For Converting Hydrogen Sulfide...".
7. US 5,571,315, Smith and Persinski, "Hydrocarbon Gels Useful in Formation Fracturing".
8. US 5,607,902, Smith and Thomas, "Method of Treating Shale and Clay in Hydrocarbon Formation Drilling".
9. US 5,614,010, Smith and Persinski, "Hydrocarbon Gels Useful in Formation Fracturing".
10. US 5,647,900, Smith and Persinski, "Preparation of Hydrocarbon Gels from Ferric Sources, Polycarboxylic Acid Compounds, and Optional Amines".
11. US 5,693,837, Smith and Persinski, "Hydrocarbon Gels Useful in Formation Fracturing".
12. US 5,733,841, Thomas, "Eutectic Drying Composition and Method".
13. US 5,766,309, Thomas, "Eutectic Drying Composition and Method".
14. US 5,807,812, Smith and Thomas, "Controlled Gel Breaker".
15. US 5,846,915, Smith and Thomas, "Delayed Breaking of Hydrocarbon Fracturing Fluids".
16. US 5,854,180, Scherubel, Reid, Fauke and Schwartz, "Environmentally Improved Acid Corrosion Inhibitor".
17. US 6,004,908, Graham and Persinski, "Rapid Gel Formation in Hydrocarbon Recovery".
18. US 6,054,417, Graham and Persinski, "Rapid Gel Formation in Hydrocarbon Recovery".
19. US 6,158,147, Smith and Mueller, "Method and Apparatus for Drying of Grain and Other Particulates Using a Membrane".
20. US 6,167,638, Vavro and Mueller, "Drying of Grain and Other Particulate Materials".
21. US 6,194,361, Gatlin, "Composition Useful As Well Lubricant...".
22. US 6,368,384, Smith, "Desiccant Tablets for Gas Drying".
23. US 6,453,576, Smith, Acor, Miller and Wanner, "Control of Solids Deposition from Used Desiccant Solutions".
24. US 6,454,005, Smith, "Treating Shale and Clay in Hydrocarbon Producing Formations with combinations of Guar and Potassium Formate".

17453.1

25. US Patent Application Serial Number 09/915,005, filed July 25, 2000, Slaymaker, "Gas Dryer".
26. US Patent Application Serial Number 09/773,864, filed February 1, 2001, Gatlin, "Lubricant, Solvent and Emulsifier Composition and Method of Manufacture".
27. US Patent Application Serial Number 09/788115, filed February 16, 2001, Smith, Hallman, Acorand Miller, "Fluid Heating".
28. US Patent Application Serial Number 09/812,422, filed March 20, 2001, Smith, "Treating Shale and Clay in Hydrocarbon Producing Formations ...". *Patent Appl.*
29. US Provisional Patent Application Serial Number 60/313606, filed August 20, 2001, Smith, et al, "Topical Defoamer and Demulsifier"; now US Patent Application Serial Number 10/223,258, filed August 19, 2002.
30. US Patent Application Serial Number 09/938,228, filed August 24, 2001, Hyland, "Maintaining Readiness in Fire Hydrants".
31. US Patent Application Serial Number 09/938,935, filed August 24, 2001, Hallman, "Gas Dehydration with Cavitation Regeneration of Potassium Formate Dehydration Solution".
32. US Patent Application Serial Number 09/943,998, filed August 31, 2001, Smith, et al, "Treating Coal and Other Piled Materials to Inhibit Freeze Binding".
33. US Provisional Patent Application Serial Number 60/328,607, filed October 11, 2001, Mackey, et al, "Invert Emulsion Drilling Fluid and Process".
34. US Patent Application Serial Number 09/992,161, filed November 6, 2001, Hallman, "Gas Dehydration using Membrane and Potassium Formate Solution".
35. US Patent Application Serial Number 10/037,825, filed November 9, 2001, Smith, "Desiccant Tablet for Gas Drying".
36. US Patent Application Serial Number 60/345,847, filed November 11, 2001, Gatlin, "Sulfide Scavenger".
37. US Patent Application Serial Number 60/339,630, filed December 12, 2001, Schwartz, et al, "Cationic Polymeric Coacervate Gel"; now US Patent Application Serial Number 10/228,875 filed August 27, 2002.
38. US Patent Application Serial Number 10/077,626, filed February 15, 2002, Stanley, "Road Bed Stabilization".
39. US Patent Application Serial Number 60/373,413, filed April 17, 2002, Diaz, et al, "Optimizing Inlet Air for Gas Turbines".
40. US Patent Application Serial Number 10/128,066, filed April 23, 2002, Gatlin and Mueller, "Treatment of Hydrocarbons Containing Sulfides".
41. US Patent Application Serial Number 10/141,390, filed May 8, 2002, Smith et al, "Triethanolamine Formate Heat Exchange Fluids".
42. US Patent Application Serial Number 10/159176, filed May 30, 2002, Smith, et al, "Hydrocarbon Recovery".
43. US Patent Application Serial Number 60/397028 <sup>filed</sup> ~~XXXXXX~~ July 20, 2002, Hallman, et al, "Evaporative Cooling System".
44. US Patent Application Serial Number 10/201,464, filed July 23, 2002, Stanley, et al, "Deicing".
45. US Patent Application Serial Number 10/217,045, filed August 12, 2002, Smith, et al, "Treating Coal and Other Piled Materials to Inhibit Freeze Binding".

**MOSER  
PATTERSON &  
SHERIDAN, LLP**  
ATTORNEYS AT LAW

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WWW.MPSLLP.COM

## FACSIMILE COVER SHEET

**DATE:** September 17, 2003  
**FILE NO:** WEAT/0423.D1  
**TO:** Assignment Division  
**FAX NO:** 703-306-5995  
**COMPANY:** USPTO  
**FROM:** Jason C. Huang *JCH*  
**PAGE(S) with cover:** 10  
**ORIGINAL TO FOLLOW?**  YES  NO

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### RECORDATION COVER SHEET AND ASSIGNMENT

U.S. SERIAL NO.: 10/223,259  
CONFIRMATION NO.: 9310  
CUSTOMER NO.: 36,735  
FILING DATE: August 19, 2002  
TITLE: Well Drilling Fluids  
INVENTOR: Kevin Smith  
GROUP ART UNIT: 3672

**Dear Assignment Division:**

***As indicated in the attached Filing Receipt, this application is a divisional of U.S. Patent Application Serial No. 09/812,422, which has been assigned to Clearwater International, L.L.C. Please also record this application as being assigned to Clearwater International, L.L.C.***

#### CONFIDENTIALITY NOTE

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FORM PTO-1605 (Rev. 8-93) OMB No. 0651-0011 (exp. 4/94)	<b>RECORDATION FORM COVER SHEET</b> <b>PATENTS ONLY</b>	U.S. Department of Commerce Patent and Trademark Office
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original document or copy thereof.		
1. Name of conveying party(ies): <u>Clearwater, Inc.</u> Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2. Name and address of receiving party(ies): Name: <u>Clearwater International, L.L.C.</u> Internal Address: _____ Street Address: <u>515 Post Oak Blvd. Suite 600</u> City: <u>Houston</u> State: <u>TX</u> Zip: <u>77027</u>	3. Nature of conveyance: <input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other Execution Date: <u>October 25, 2002</u>
4. Application number(s) or registration number(s): <u>10/223,259, filed August 19, 2002</u> If this document is being filed together with a new application, the execution date of the application is: _____ (Date of Filing) A. Patent Application No.(s) B. Patent No.(s) Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>William B. Patterson</u> Internal Address: <u>MOSER, PATTERSON &amp; SHERIDAN, L.L.P.</u> Street Address: <u>3040 Post Oak Boulevard, Suite 1500</u> City: <u>Houston</u> State: <u>TX</u> Zip: <u>77056</u>	6. Total number of applications and patents involved: <u>1</u> 7. Total fee (37 C.F.R. 3.41)----- \$ <u>40.00</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account <u>20-0782/WEAT/0423.D1 /JCH</u> 8. Deposit account number: <u>20-0782/WEAT/0423.D1/JCH</u>	
<b>DO NOT USE THIS SPACE</b>		
9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is true copy of the original document. <u>Jason C. Huang, Reg. No. 46,222</u> Name of Person Signing <span style="margin-left: 200px;">Signature: <u>[Signature]</u></span> <span style="margin-left: 100px;">Date: <u>9/17/03</u></span> <div style="text-align: center; font-size: 2em; font-weight: bold; margin-top: 10px;">                     COPY                 </div> Total number of pages including cover sheet, attachments and document: <u>10</u>		

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 WASHINGTON, D.C. 20231  
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APPLICATION NUMBER	FILING DATE	GRP ART UNIT	FIL FEE REC'D	ATTY. DOCKET NO	DRAWINGS	TOT CLAIMS	IND CLAIMS
10/223,259	08/19/2002	3672	370			14	1

**CONFIRMATION NO. 9310**

William L. Krayner  
 1771 Helen Drive  
 Pittsburgh, PA 15216

**FILING RECEIPT**



\*0C000000008785078\*

Date Mailed: 09/13/2002

Receipt is acknowledged of this nonprovisional Patent Application. It will be considered in its order and you will be notified as to the results of the examination. Be sure to provide the U.S. APPLICATION NUMBER, FILING DATE, NAME OF APPLICANT, and TITLE OF INVENTION when inquiring about this application. Fees transmitted by check or draft are subject to collection. Please verify the accuracy of the data presented on this receipt. If an error is noted on this Filing Receipt, please write to the Office of Initial Patent Examination's Filing Receipt Corrections, facsimile number 703-746-9195. Please provide a copy of this Filing Receipt with the changes noted thereon. If you received a "Notice to File Missing Parts" for this application, please submit any corrections to this Filing Receipt with your reply to the Notice. When the USPTO processes the reply to the Notice, the USPTO will generate another Filing Receipt incorporating the requested corrections (if appropriate).

**Applicant(s)**

Kevin W. Smith, McMurray, PA;

**Domestic Priority data as claimed by applicant**

THIS APPLICATION IS A DIV OF 09/812,422 03/20/2001  
 AND CLAIMS BENEFIT OF 60/192,304 03/27/2000

**Foreign Applications**

If Required, Foreign Filing License Granted 09/12/2002

Projected Publication Date: 12/19/2002

Non-Publication Request: No

Early Publication Request: No

**\*\* SMALL ENTITY \*\***

**Title**

Well drilling fluids

**Preliminary Class**

175

**RECORDED: 09/17/2003**

**PATENT**  
**REEL: 013985 FRAME: 0383**