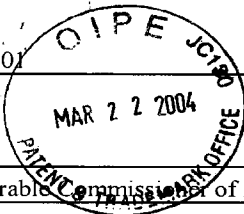


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FORM PTO-1595
1-31-92

REC

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks

102721066

Original documents or copy thereof.

1. Name and Address of Conveying Party(ies):

Varel Acquisition, Ltd.

4-22-04

Additional name(s) of conveying party(ies) attached?

[] Yes [X] No

2. Name and Address of receiving Party(ies):

Name: Varel International, Ltd.

Internal Address: Suite 106

Street Address: 1434 Patton

City: Carrollton

State: Texas Zip 75007

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3. Nature of conveyance:

Assignment

Merger

Security Agreement

X

Change of Name

Other

Additional name(s) & address(es)
attached?

Yes

No

Effective Date: December 29, 2000

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)

B. Patent No.(s) 4,452,539; 4,763,736; 5,944,125; 6,298,929;
6,450,270; 6,488,106; 6,565,492

Additional Numbers attached?

Yes

X

No

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

Name: Luke K. Pedersen, Esq.

Internal Address: Baker Botts L.L.P.

Street Address: 2001 Ross Avenue, Suite 600

City: Dallas

State: Texas Zip: 75201-2980

6. Total number of applications and patents involved: 7

7. Total Fee (37 CFR 3.41): \$280.00

X

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach Duplicate Copy of this page if paying by deposit account)

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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.

Luke K. Pedersen

Name of Person Signing

Signature

Date

3/17/04

Total number of pages including cover sheet

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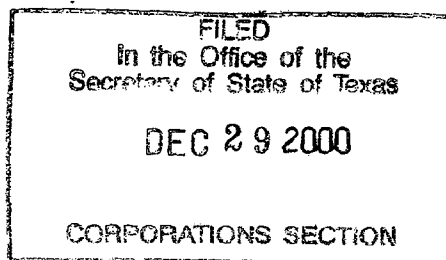
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ARTICLES OF MERGER
OF
VAREL INTERNATIONAL, INC.
INTO
VAREL ACQUISITION, LTD.



Pursuant to the provisions of Section 2.11 of the Texas Revised Limited Partnership Act, the undersigned corporation and limited partnership adopt the following articles of merger for the purpose of effecting a merger in accordance with the provisions of Section 2.11 of the Texas Revised Limited Partnership Act (the "TRLPA").

1. A plan of merger that has been approved and adopted in accordance with the provisions of the TRLPA providing for the combination of Varel International, Inc., and Varel Acquisition, Ltd. and resulting in Varel Acquisition, Ltd. being the surviving entity in the merger is attached hereto as Exhibit A and is hereby incorporated herein by reference.

2. The name of each of the undersigned entities, the type of entity and the laws under which such entities were organized are:

<u>Name of the Entity</u>	<u>Type of Entity</u>	<u>State</u>
Varel International, Inc.	corporation	Delaware
Varel Acquisition, Ltd.	limited partnership	Texas

3. The certificate of limited partnership of Varel Acquisition, Ltd. will be amended to change the name of the surviving entity to Varel International, Ltd. and in that regard Section 1 of the certificate of limited partnership shall be amended to read as follows:

"1. The name of the limited partnership is Varel International, Ltd. (the "Limited Partnership")."

4. The executed plan of merger is on file at the principal place of business of the surviving limited partnership, which address is 1434 Patton, Suite 106, Carrollton, Texas 75007.

5. The domestic limited partnership has complied with the provisions of its partnership agreement regarding furnishing partners copies or summaries of the plan of merger or notices regarding the merger.

6. A copy of the plan of merger will be furnished by the surviving limited partnership, on written request and without cost, to any creditor or obligee of the partners to the merger at the time of the merger if the obligation is then outstanding.

7. The plan of merger and the performance of its terms were duly authorized by all action required by the laws under which each *entity* is incorporated and by its constituent documents.


8. The merger herein shall be effective at 11:59 p.m. Eastern standard time on December 31, 2000.

Dated on December 28, 2000.


VAREL INTERNATIONAL, INC.

VAREL ACQUISITION, LTD.

By: Varel GP LLC,
its general partner

By: 

Neil Bishkin
Vice President

By: 

Neil Bishkin
Manager

EXHIBIT A

THIS AGREEMENT AND PLAN OF MERGER is by and among Varel International, Inc., a Delaware corporation (the "Corporation"), and Varel Acquisition, Ltd., a Texas limited partnership (the "Partnership").

1. The Corporation shall, pursuant to the provisions of the statutes of the States of Delaware and Texas, be merged with and into the Partnership. The Partnership shall be the surviving entity upon the effective date and time hereof, and shall continue to exist as the surviving entity under the name, "Varel International, Ltd." The separate existence of the Corporation shall cease upon the effective date and time hereof.

2. The certificate of limited partnership of the Partnership upon the effective date of the merger shall be the certificate of limited partnership of the surviving entity, amended only to provide that the name of the Partnership shall henceforth be "Varel International, Ltd.", and shall continue in full force and effect until amended.

3. The officers of the Corporation shall be the officers of the surviving entity, all of whom shall hold their offices until the election and qualification of their respective successors or until their tenure is otherwise terminated in accordance with the Agreement of Limited Partnership of the surviving entity.

4. As of the effective date hereof, all shares of the Corporation shall be canceled, and the existing partnership interests in the Partnership prior to the effective date and time hereof shall remain in effect. Since the sole stockholder of the Corporation is also the sole limited partner of the Partnership and the sole owner of the sole general partner of the Partnership, such sole stockholder will receive no cash, property or other consideration for its shares in the Corporation canceled in connection with the merger.

5. This Plan of Merger shall be submitted to the stockholder of the Corporation for its approval or rejection.


6. Upon approval of the stockholder of the Corporation, the Board of Directors and the proper officers of the Corporation and the managers of the limited liability company that is the sole general partner of the Partnership are hereby authorized, empowered, and directed to do any and all acts and things, and to make, execute, deliver, file, and/or record any and all instruments, papers, and documents which shall be or become necessary, proper, or convenient to carry out or put into effect any of the provisions of this Plan of Merger or of the merger herein provided for.

7. The effective time and date of the merger herein provided for herein shall be 11:59 p.m. Eastern standard time on December 31, 2000.

011830.0000156368401

IN WITNESS WHEREOF, the undersigned have executed this Agreement and Plan of Merger this December 28, 2000.

VAREL INTERNATIONAL, INC.,
a Delaware corporation

By: 
Neil Bishkin
Vice President

VAREL ACQUISITION, LTD.,
a Texas limited partnership

By Varel GP LLC,
a Texas limited liability company

By: 
Neil Bishkin
Manager

011830.00001:563684.01

EXHIBIT A

U.S. Issued Patents

Patent No.	Issue Date	Title
4,296,823	27 October 1981	Cable Tool with Circulating Drill Stem.
4,333,364	08 June 1982	Method for Manufacturing a Rotary Drill Bit Having a Solid Forged, Unitary Body.
4,452,539	05 June 1984	Bearing Seal for Rotating Cutter Drill Bit.
4,763,736	16 August 1988	Asymmetrical Rotary Cone Bit.
5,944,125	31 August 1999	Rock Bit with Improved Thrust Face.
6,298,929	09 October 2001	Bi-Center Bit Assembly.
6,450,270	17 September 2002	Rotary Cone Bit for Cutting Removal.
6,488,106	03 December 2002	Superabrasive Cutting Element.
6,568,492	27 May 2003	Drag-Type Casing Mill/Drill Bit.

Pending Foreign Patent Applications

Country	Application No.	Filing Date	Title
Sweden	00033654	21 September 2000	Improved Rotary Cone Bit for Cutting Removal.