

PATENT ASSIGNMENT

Electronic Version v1.1

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	MERGER
EFFECTIVE DATE:	04/30/2004
CONVEYING PARTY DATA	
Name	Execution Date
Particle Drilling, Inc.	04/30/2004
RECEIVING PARTY DATA	
Name:	Particle Drilling Technologies, Inc.
Street Address:	11757 Katy Freeway, Suite 1300
City:	Houston
State/Country:	TEXAS
Postal Code:	77079
PROPERTY NUMBERS Total: 2	
Property Type	Number
Patent Number:	7258176
Application Number:	10897196
CORRESPONDENCE DATA	
Fax Number:	(713)751-3290
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	713-751-3237
Email:	houpatentdocket@kslaw.com
Correspondent Name:	Todd Mattingly
Address Line 1:	1100 Louisiana St., Suite 4000
Address Line 4:	Houston, TEXAS 77002
ATTORNEY DOCKET NUMBER:	13978.105012.105060
NAME OF SUBMITTER:	Jessica Greeney, Paralegal
Total Attachments: 4	
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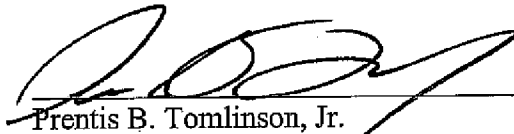
**PARTICLE DRILLING, INC.**

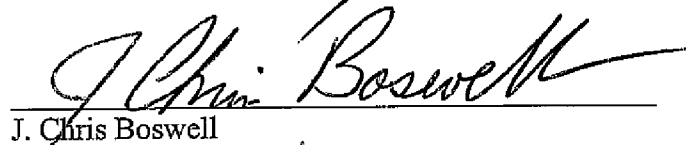
*Unanimous Written Consent of the Board of Directors*

April 30, 2004

Pursuant to the provisions of Article 9.10 of the Texas Business Corporation Act, the undersigned, being all of the members of the Board of Directors of Particle Drilling, Inc., a Texas corporation (the "Corporation"), waiving all notice, hereby consent to the adoption of the resolutions attached hereto as Exhibit A without the holding of a meeting, such resolutions to have the same force and effect as if they had been adopted unanimously at a duly called and held meeting of the Board of Directors of the Corporation, and direct that a copy thereof be filed with the minutes of the proceedings of the Board of Directors of the Corporation.

IN WITNESS WHEREOF, the undersigned have executed this consent to be effective as of the date first written above.

  
\_\_\_\_\_  
Prentis B. Tomlinson, Jr.

  
\_\_\_\_\_  
J. Chris Boswell

  
\_\_\_\_\_  
Thomas E. Hardisty

**PARTICLE DRILLING, INC.**

*Resolutions adopted by unanimous written consent of the  
Board of Directors as of April 30, 2004*

**Agreement and Plan of Merger**

**WHEREAS**, the Board of Directors (the "**Board**") of Particle Drilling, Inc., a Texas corporation (the "**Corporation**"), believes that it is advisable and in the best interests of the Corporation to enter into a series of recapitalization transactions (the "**Recapitalization Plan**") as are more fully described in the Private Placement Memorandum of Particle Drilling Technologies, Inc., a Delaware corporation ("**PDTI**") dated as of April 30, 2004; and

**WHEREAS**, the Board believes that it is advisable and in the best interests of the Corporation to enter into an Agreement and Plan of Merger (the "**Merger Agreement**") pursuant to which the Corporation will merge with and into PDTI and pursuant to which PDTI will be the surviving corporation (the "**Merger**").

**NOW, THEREFORE, BE IT RESOLVED**, that the proposed Merger is consistent with and in furtherance of the long-term business strategy of the Corporation, and is fair to and in the best interests of the Corporation and its stockholders.

**RESOLVED**, that the form, terms and provisions of the Merger Agreement are hereby approved and adopted, and that the officers of the Corporation each are hereby authorized to negotiate, execute and deliver such Merger Agreement on behalf of the Corporation, in substantially the form distributed to the Board, with such changes, deletions and additions thereto as such officers shall deem necessary or appropriate, the approval of such officers and the Board to be conclusively evidenced by any of the officer's execution and delivery of such Merger Agreement, and the performance by the Corporation of its obligations under the Merger Agreement is hereby approved.

**RESOLVED**, that the Board recommends that the shareholders of the Corporation vote in favor of the Merger Agreement.

**RESOLVED**, that, subject to the adoption of the Merger Agreement by the Corporation's shareholders and the stockholders of PDTI, the Merger shall be effective upon the filing by PDTI of a properly executed Certificate of Merger with the Secretary of State of the State of Delaware and the filing by PDI of properly executed Articles of Merger with the Secretary of State of the State of Texas, which Certificate of Merger and Articles of Merger shall be in such form as the officers of PDTI and the Corporation, respectively, executing the same shall, as conclusively evidenced by their execution thereof, deem appropriate.

**RESOLVED**, that the officers of the Corporation be, and each of them hereby is, authorized to file all such documents and take all such actions as are required by or appropriate under any law or administrative regulation with regard to the Merger.

**RESOLVED**, that in connection with the Merger, the officers of the Corporation are hereby authorized in the name and on behalf of the Corporation to negotiate, execute and deliver agreements and enter into arrangements with such persons, firms, corporations and other business entities and service providers, as such officers shall deem necessary or appropriate in order to effectuate any of the foregoing.

**RESOLVED**, that the officers of the Corporation be, and each of them hereby is, authorized and directed, for and on behalf of the Corporation, to execute and deliver the Agreement and Plan of Merger in substantially the form approved by this Board of Directors, with such changes, additions or modifications therein as the officers executing the same shall approve, such approval and the approval of this Board of Directors to be conclusively evidenced by such officer's execution and delivery thereof.

**Solicitation of Shareholder Written Consent and Proxy**

**WHEREAS**, adoption of the Merger Agreement will require approval of holders of the common stock of the Corporation;

**WHEREAS**, in order to obtain shareholder approval of the Merger Agreement, the Corporation must receive approval of holders of at least two-thirds of the outstanding common stock of the Corporation at a special meeting of shareholders of the Corporation (the "Special Meeting"); and

**WHEREAS**, if the Corporation is able to obtain written consents to approve the Merger Agreement from all of its shareholders prior to the date of the Special Meeting, the Special Meeting will be cancelled and the Corporation intends to consummate the merger. In the event, however, that the Corporation is not able to obtain written consents to approve the merger from all of its shareholders, it will hold the Special Meeting.

**NOW THEREFORE BE IT RESOLVED**, that the officers of the Corporation be, and each of them hereby is, authorized and directed, for and on behalf of the Corporation, to solicit written consents and proxies of the Corporation's shareholders to obtain approval of the Merger Agreement.

**RESOLVED**, that the officers of the Corporation be, and each of them hereby is, authorized and directed, for and on behalf of the Corporation, to prepare and deliver to each of the Corporation's shareholders a transmittal letter describing the Merger Agreement and the related transactions (the "Transmittal Letter") and a written consent and proxy (the "Consent and Proxy") in such form as they determine appropriate or necessary, and with such amendments or modifications as they determine appropriate or necessary.

**RESOLVED**, the officers of the Corporation be, and each of them hereby is, authorized and directed, for and on behalf of the Corporation, to call and hold the Special Meeting to vote on the Merger Agreement at a date and time which shall not be less than 20 business days after the Transmittal Letter and the Consent and Proxy is mailed to shareholders, and which date and time shall be the effective date of the approval of the Merger Agreement by the shareholders if

proxies or votes in favor of the proposal are received from holders of at least two-thirds of the outstanding common stock of the Corporation.

**RESOLVED**, that if a Consent and Proxy approving the Merger Agreement is received from all of the Corporation's shareholders prior to the date of the Special Meeting, the Merger Agreement shall be approved, the Special Meeting shall be cancelled, and the date on which the last Consent and Proxy is received shall be the effective date of the approval of the Merger Agreement.

**Increase in Number of Directors**

**WHEREAS**, the Board believes that it is advisable and in the best interests of the Corporation to increase the authorized number of directors of the Board in connection with the Corporation's proposed Recapitalization Plan.

**NOW THEREFORE BE IT RESOLVED**, that the authorized number of directors on the Board of the Corporation be increased by two (2) directors to a total of five (5) directors.

**Miscellaneous**

**NOW THEREFORE BE IT RESOLVED**, that, except as otherwise provided herein, each of the officers of the Corporation is hereby authorized and empowered, for and on behalf of the Corporation, to take or cause to be taken any and all such actions and to enter into, execute and deliver any and all such acknowledgments, agreements, certificates, contracts, instruments, notices, statements and other documents, and to effect any necessary filings with any and all appropriate regulatory authorities, state and federal, as may be required or as any such officer may deem necessary, advisable or appropriate to effectuate and carry out the transactions contemplated by, and the purposes and intent of, the foregoing resolutions; all such actions to be performed in such manner and all such acknowledgments, agreements, certificates, contracts, instruments, notices, statements and documents to be executed and delivered in such form as the officer performing or executing the same shall approve, such officer's performance or execution and delivery thereof to be conclusive evidence of such approval and the approval of this Board; and further

**RESOLVED**, that the authority granted to each officer of the Corporation under the foregoing resolutions shall be deemed to include, in the case of each such resolution, the authority to perform such further acts and deeds for and on behalf of the Corporation as may be necessary, advisable or appropriate, in the judgment of such officer, to carry out the transactions contemplated thereby, and all acts and deeds previously performed by any of the officers of or counsel to the Corporation prior to the date hereof that are within the authority conferred by the foregoing resolutions are hereby approved, ratified and confirmed in all respects as the authorized acts and deeds of the Corporation.