

PATENT ASSIGNMENT

Electronic Version v1.1

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SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
ROGERS OIL TOOLS LLC	09/05/2008

RECEIVING PARTY DATA

Name:	ALLIS-CHALMERS TUBULAR SERVICES LLC
Street Address:	5075 Westheimer, Suite 890
City:	HOUSTON
State/Country:	TEXAS
Postal Code:	77056

PROPERTY NUMBERS Total: 15

Property Type	Number
Patent Number:	6965230
PCT Number:	US0406895
Patent Number:	6715569
PCT Number:	US0308626
Patent Number:	6223629
PCT Number:	US0017485
Patent Number:	6386284
PCT Number:	US0103794
Patent Number:	6213216
Patent Number:	6347665
PCT Number:	US0004217
Application Number:	10771265
PCT Number:	US0413270
PCT Number:	US0503252
Application Number:	10425844

CH \$600.00 6965230

PATENT

500643914

REEL: 021511 FRAME: 0007

CORRESPONDENCE DATA

Fax Number: (713)238-7343

*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*

Phone: 713 220 4726

Email: pat-tmk@andrewskurth.com

Correspondent Name: GARY L. BUSH / ANDREWS KURTH LLP

Address Line 1: 600 TRAVIS, SUITE 4200

Address Line 4: HOUSTON, TEXAS 77002

ATTORNEY DOCKET NUMBER:

165396

NAME OF SUBMITTER:

GARY L. BUSH

**Total Attachments: 6**

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## INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "**Security Agreement**") dated as of September 5, 2008, by and between ALLIS-CHALMERS TUBULAR SERVICES LLC, a Texas limited liability company ("**Seller**") and ROGERS OIL TOOLS LLC, a Louisiana limited liability company, whose address is 1530 St. Etienne Road, Broussard, Louisiana 70518 ("**Purchaser**").

### Recitals

- A. Seller and Purchaser have entered into that certain Asset Purchase Agreement (the "**Asset Purchase Agreement**") dated effective as of August 1, 2008 by and between Seller and Purchaser. Capitalized terms used in this Security Agreement without definition shall have the respective meanings set forth in the Asset Purchase Agreement.
- B. Pursuant to the Asset Purchase Agreement, Purchaser has acquired certain intellectual property assets in consideration for, among other things, (i) that certain Secured Promissory Note dated of even date herewith in the aggregate principal amount of \$4,500,000 payable to the order of Seller ("**Note A**"), and (ii) that certain Secured Promissory Note dated of even date herewith in the aggregate principal amount of \$1,000,000 payable to the order of Seller ("**Note B**" and together with Note A, the "**Notes**"), and Purchaser has agreed to grant a security interest in said assets to Seller to secure the Notes.
- C. Purchaser represents that it possesses all right, title, and interest in and to the assets to be secured by this Security Agreement and that it has not granted a security interest or otherwise pledged, mortgaged, transferred, assigned, or licensed any part of its rights in said assets to any party other than Seller.

### Agreement

NOW THEREFORE, in consideration of the premises set forth in this Security Agreement, the aforementioned Notes, and for other good and valuable consideration, receipt of which is hereby acknowledged, Seller and Purchaser agrees as follows:

- 1. **Grant of Security Interest.** In order to secure the complete and timely satisfaction of all of the duties and obligations owing from Purchaser to Seller set forth in the Notes, Purchaser hereby pledges, mortgages, and grants a first-priority security interest to Seller in and to all patents and patent applications of Purchaser set forth on Exhibit A, and (i) the invention and improvements described and claimed therein; (ii) any continuation, division, renewal, extension, substitute, or reissue thereof or any legal equivalent in a foreign country for the full term or terms for which the same may be granted; (iii) all rights to income, royalties, profits, awards, damages, or other rights relating to said patents, applications or inventions including the right to sue for past, present, or future infringement; and (iv) any other rights and benefits relating to said patents, applications, or inventions ("**Patents**").

2. **No Liens, etc.** Purchaser agrees that it will not, without the prior written consent of Seller (not to be unreasonably withheld), assign or transfer (other than to an affiliate of Purchaser), pledge, mortgage, license or allow a security interest or lien to be taken by anyone other than Seller in said Patents or take any other acts which are contrary to or inconsistent with the rights granted to Seller in this Security Agreement or take any action or fail to take any action that will result in the cancellation or expiration of any of the Patents covered by this Security Agreement without the prior written agreement of Seller.
3. **Purchaser's Obligation to Maintain and Enforce Rights.** Purchaser further agrees that it has the obligation, at its own cost, unless otherwise consented to in writing by Seller to take all actions necessary to properly maintain and renew all Patents subject to the Security Agreement for the full term or terms allowed by law including the appropriate and timely payment of any required fees and the appropriate and timely filing of any documents or declarations necessary to maintain and renew said Patents which may be necessary or appropriate under applicable law.
4. **Default.** Upon the occurrence, and during the continuance, of an event of default (as described in the Notes) or upon the failure by Purchaser to perform its obligations under this Security Agreement within thirty (30) calendar days following written notice thereof from Seller, Seller may exercise any and all rights and remedies available to a secured party after default under the Uniform Commercial Code of Texas.
5. **Interpretation.** This Security Agreement is subject to the terms and conditions of the Notes. Where any term in this Security Agreement may be inconsistent with any term in the Notes, the terms of the Notes shall control. The word "including" shall mean "including, without limitation."
6. **No Waiver.** The failure by Seller to exercise any right under this Security Agreement shall not operate as a waiver thereof and shall not bar Seller from continuing to exercise said rights thereafter.
7. **Governing Law.** The Security Agreement is to be governed by the law of the State of Texas and is binding on the parties and their successors and assigns. Purchaser may not assign nor transfer any part of its obligations under this Security Agreement either expressly or by operation of law without the written consent of Seller.
8. **Severability; Counterparts.** The terms of this Security Agreement are severable. If any term shall be found to be invalid or unenforceable, it shall not affect the validity of the remaining terms. This Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.
9. **Further Actions.** Purchaser agrees to execute any other documents and take any further action upon the request of Seller as may be deemed necessary to effectuate the terms of this Security Agreement.

*[Signature Page Follows]*

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

**Seller:**

ALLIS-CHALMERS TUBULAR SERVICES LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Purchaser:**

ROGERS OIL TOOLS LLC

By: R. Hancock

Name: RICHARD HANCOCK

Title: MANAGING MEMBER

*Signature Page to Intellectual Property  
Security Agreement*

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

**Seller:**

ALLIS-CHALMERS TUBULAR SERVICES LLC

By: [Signature]  
Name: Madame F. Paine III  
Title: Vice President & Secretary

**Purchaser:**

ROGERS OIL TOOLS LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

*Signature Page to Intellectual Property  
Security Agreement*

**Exhibit A**  
**Patents**

Title	Country	Serial No./ Patent No.	Filing Date/ Grant Date
Apparatus and Method for Determining the Position of the End of a Threaded Connection, and for Positioning a Power Tong Relative Thereto	USA	6,965,230	November 15, 2005
Apparatus and Method for Determining the Position of the End of a Threaded Connection, and for Position a Power Tong Relative Thereto	Canada	2,518,255	March 5, 2004
Apparatus and Method for Determining the Position of the End of a Threaded Connection, and for Position a Power Tong Relative Thereto	European	Serial No. 04718072.4 Publication No. 1601959	March 5, 2004
Apparatus and Method for Determining the Position of the End of a Threaded Connection, and for Position a Power Tong Relative Thereto	Norway	20054594	March 5, 2004
Apparatus and Method for Determining the Position of the End of a Threaded Connection, and for Position a Power Tong Relative Thereto	PCT	PCT/US2004/06895	March 5, 2004
Boom Type Power Tong Positioner	USA	6,715,569	April 6, 2004
Boom Type Power Tong Positioner	Canada	2,479,784	March 19, 2003
Boom Type Power Tong Positioner	European (Designating Denmark, France, Germany, Italy, Holland, and the United Kingdom)	Serial No. 03745160.6 Publication No. 1485568	March 19, 2003
Boom Type Power Tong Positioner	Norway	20044460	March 19, 2003
Boom Type Power Tong Positioner	PCT	PCT/US2003/08626	March 19, 2003
Closed Head Power Tongs	USA	6,223,629	May 1, 2001
Closed Head Power Tongs	Canada	2,368,528	October 25, 2005
Closed Head Power Tongs	European	Serial No. 00944869.7 Publication No. 1212172	June 23, 2000
Closed Head Power Tongs	Norway	20020089	June 23, 2000
Closed Head Power Tongs	PCT	PCT/US2000/17485	June 23, 2000
Snubbing Unit Drilling System	USA	6,386,284	May 14, 2002

Title	Country	Serial No./ Patent No.	Filing Date/ Grant Date
Snubbing Unit Drilling System	Canada	2,437,241	February 5, 2001
Snubbing Unit Drilling System	European (designating Denmark, France, United Kingdom, Italy, and the Netherlands)	1264071	May 11, 2005
Snubbing Unit Drilling System	Germany	60110759.4-0	May 11, 2005
Snubbing Unit Drilling System	PCT	PCT/US2001/03794	February 5, 2001
Snubbing Unit Tong Apparatus	USA	6,213,216	April 10, 2001
Snubbing Unit Tong Apparatus	USA	6,347,665	February 19, 2002
Snubbing Unit Tong Apparatus	Canada	2,363,096	February 18, 2000
Snubbing Unit Tong Apparatus	European (Designating Denmark, France, United Kingdom, Italy and the Netherlands)	1159508	October 6, 2004
Snubbing Unit Tong Apparatus	Germany	60014596.4-0	October 6, 2004
Snubbing Unit Tong Apparatus	Norway	20014330	February 18, 2000
Snubbing Unit Tong Apparatus	PCT	PCT/US2000/04217	February 18, 2000
Tong Assembly	USA	10/771,265	February 2, 2004
Power Positions for Power Tong Units	PCT	PCT/US2004/013270	April 29, 2003
Tong Assembly	PCT	PCT/US2005/003252	February 3, 2005
Power Positioner For Power Tong Units	USA	10/425,844	April 29, 2003