

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Hydro Operating, LLC	10/04/2011
RECEIVING PARTY DATA	
Name:	The F&M Bank & Trust Company
Street Address:	1330 South Harvard Ave.
Internal Address:	Attn: Billy Shaffer, Sr. Vice President
City:	Tulsa
State/Country:	OKLAHOMA
Postal Code:	74012
PROPERTY NUMBERS Total: 2	
Property Type	Number
Patent Number:	6427612
Patent Number:	7509977
CORRESPONDENCE DATA	
Fax Number:	(952)885-5969
Phone:	9528855999
Email:	pcoleman@mmlawfirm.com
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>	
Correspondent Name:	Pamela Coleman
Address Line 1:	8000 Norman Center Drive, Suite 1000
Address Line 2:	Monroe Moxness Berg PA
Address Line 4:	Minneapolis, MINNESOTA 55437-1178
NAME OF SUBMITTER:	John T. McNicholas, President
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OP \$80.00 6427612

ASSIGNMENT FOR SECURITY

PATENTS

WHEREAS, HYDRO OPERATING, LLC, a limited liability company (the "Assignor") holds all right, title and interest in the letter patents, design patents and utility patents listed on the annexed Schedule 1A, which patents are issued or applied for in the United States Patent and Trademark Office (the "Patents");

WHEREAS, pursuant to the Loan Agreement, dated as of October 4, 2011 (such agreement, as amended, restated, supplemented or otherwise modified from time to time, being hereinafter referred to as the "Loan Agreement") between HYDRO OPERATING, LLC, a Delaware limited liability company, and HYDRO REAL ESTATE, LLC, a Delaware limited liability company as borrowers (collectively, the "Borrowers"), and THE F&M BANK & TRUST COMPANY, a state banking corporation, as lender (the "Bank"), the Bank has agreed to make extensions of credit to the Borrowers upon the terms and subject to the conditions set forth therein;

WHEREAS, the Assignor, has entered into that certain Security Agreement, dated as of even date with the Loan Agreement (the "Security Agreement"), in favor of the Bank (the "Assignee");

WHEREAS, pursuant to the Security Agreement, the Assignor has granted to the Assignee a continuing security interest in all right, title and interest of the Assignor in, to and under the Patents and the applications and registrations thereof, and all proceeds thereof, including, without limitation, any and all causes of action which may exist by reason of infringement thereof and any and all damages arising from past, present and future violations thereof (the "Collateral"), to secure the payment, performance and observance of the Obligations (as defined in the Security Agreement);

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor as collateral security for the full and complete payment and performance when due of the Obligations, hereby mortgages, pledges and hypothecates to the Assignee and grants to the Assignee, a continuing security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.

The Assignor does hereby further acknowledge and affirm that the rights and remedies of the Assignee with respect to the Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

✓ *[Signature Page Follows]*

SCHEDULE 1A TO ASSIGNMENT FOR SECURITY

U.S. Patent No. 6427612 – Hitch Manifold System; issued to Hydro Engineering, Inc., now owned by Hydro Operating, LLC

U.S. Patent No. 7509977 – Variable Discharge Sludge Distributer; issued to Hydro Engineering, Inc., now owned by Hydro Operating, LLC

MMB: 4835-9729-7164, v. 1