

PATENT ASSIGNMENT COVER SHEET

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
PREMIER OILFIELD EQUIPMENT CO.	12/09/2013
RECEIVING PARTY DATA	
Name:	BANK OF THE WEST
Street Address:	600 17TH STREET, SUITE 1500
City:	DENVER
State/Country:	COLORADO
Postal Code:	80202
PROPERTY NUMBERS Total: 3	
Property Type	Number
Patent Number:	6547964
Patent Number:	6607666
Application Number:	13323580
CORRESPONDENCE DATA	
Fax Number:	(435)214-3811
Phone:	435-214-3807
Email:	mjones@markuswilliams.com
<i>Correspondence will be sent via US Mail when the email attempt is unsuccessful.</i>	
Correspondent Name:	MELINDA JONES
Address Line 1:	2750 RASMUSSEN ROAD, SUITE H-104
Address Line 4:	PARK CITY, UTAH 84098
ATTORNEY DOCKET NUMBER:	10531.256
NAME OF SUBMITTER:	MELINDA JONES
Signature:	/mej/

Date:

12/13/2013

Total Attachments: 8

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PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement ("Agreement") is executed as of the 9th day of December, 2013 by and between PREMIER OILFIELD EQUIPMENT CO., a Delaware corporation ("Debtor"), whose address is 2550 East Bijou Avenue, Fort Morgan, Colorado 80701, and BANK OF THE WEST, whose address is 600 17th Street, Suite 1500, Denver, Colorado 80202 ("Lender").

RECITALS

A. Debtor is currently in default under the terms of that certain Business Loan Agreement dated June 13, 2012, as amended by First Modification to Notes and Loan Documents dated as of May 28, 2013 (collectively the "Loan Agreement") for, among other defaults, violation of one or more of the existing Financial Covenants, including but not limited to, Fixed Charge Coverage Ratio ("FCCR"); and for permitting the imposition of a tax lien against it.

B. Debtor has requested that Lender forbear in the exercise of its post-default collection rights and remedies under the Loan Agreement and other loan documents executed in conjunction therewith.

C. Lender is unwilling to forbear in the exercise of its post-default collection rights and remedies against Debtor under the Loan Agreement without additional collateral security from Debtor in accordance with the terms and conditions of this Agreement.

AGREEMENTS

NOW THEREFORE, in consideration of Lender's agreement to forbear in the exercise of its post-default collection rights and remedies against Debtor in the additional collateral security granted by Debtor to Lender during and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Grant of Security Interest.** Debtor hereby assigns for security purposes and grants to Lender a first-priority security interest in all of the following property (collectively "Collateral") whether now or hereafter owned by Debtor and wheresoever located:

(a) All patents, patents pending, and patent applications belonging to Debtor including, but not limited to, the patents, patents pending, and patent applications described in **Exhibit A** attached hereto and incorporated herein by this reference, together with all of the inventions and improvements described in any of the foregoing,

(b) All continuations, divisions, extensions, reissues, and renewals of any of the foregoing;

(c) All present and future goodwill belonging to Debtor and connected with or symbolized by any of the foregoing;

(d) All present and future licenses belonging to Debtor and pertaining to any of the foregoing;

(e) All amendments, modifications, replacements and substitutions to any of the foregoing;

(f) All royalties, infringement damages, and other monies or things of value owing to Debtor with respect to any of the foregoing;

(g) All proceeds and products of and books and records pertaining to the foregoing personal property.

2. **Obligations Secured by Collateral.** The Collateral shall secure the payment and performance of the following indebtedness, liabilities and other obligations (collectively "Obligations"):

(a) All of Debtor's present and future, indebtedness, liabilities and obligations to Lender under the following loan documents (collectively "Loan Documents"):

(i) the Loan Agreement;

(ii) this Agreement;

(iii) All other present and future agreements between Debtor and Lender of any kind; and

(iv) All amendments, modifications, replacements, and substitutions to any of the foregoing; and

(b) the payment and performance of all other present and future indebtedness, liabilities and obligations (primary and secondary, direct and contingent, joint and/or several) of Debtor to Lender of any kind.

3. **Representations and Warranties.** Debtor hereby represents and warrants to and covenants with Lender that that:

(a) Debtor is and shall be the sole and exclusive owner of the Collateral free and clear of all liens, charges, encumbrances, setoffs, defenses and counterclaims of whatsoever kind or nature (except for the security interests granted to Lender under this Agreement);

(b) Except for the foregoing security interests, Debtor has not made and shall not make any assignment, license, pledge, mortgage, hypothecation or transfer of the Collateral or the proceeds thereof without the prior written consent of Lender;

(c) this Agreement does not and shall not contravene any statute, ordinance, administrative rule, contract, or other agreement binding on Debtor including, but not limited to, any license agreement pertaining to the Collateral;

(d) there are and shall not be any no legal actions or administrative proceedings pending or threatened before any court or administrative agency involving the Collateral that, if determined adversely to Debtor, would result in a material obligation or liability of Debtor; and

(e) no Collateral has been or shall be adjudged invalid or unenforceable by a court of competent jurisdiction; and

(f) no Collateral has been or shall be cancelled, in whole or in part, without the prior written consent of Lender.

4. **Additional Collateral.** Debtor represents and warrants that, based on a diligent investigation by Debtor, the patents, patents pending, and patent applications, described in **Exhibit A** constitute all of the patents, patents pending, and patent applications, owned by Debtor and registered with the United States Patent and Trademark Office as of the date of this Agreement. If Debtor becomes the owner of any additional patents, patents pending, and patent applications, prior to the complete and indefeasible payment and performance of the Obligations and the termination of the Loan Agreement and other Loan Documents, Debtor shall: (i) provide Lender with written notice of such additional Collateral; and (ii) execute and deliver to Lender all additional documents and take all additional actions necessary to provide Lender with a valid, enforceable and first priority security interest in such additional Collateral (including, but not limited to, any amendments, modifications, replacements or substitutions to this Agreement). Debtor hereby authorizes and appoints Lender as its attorney in fact to execute any documents and take any actions required to be taken by Debtor under this Section. Such power of attorney is coupled with an interest and shall be irrevocable.

5. **Use and Ownership Prior to Default.** Debtor shall use the Collateral only in the ordinary course of its business. Debtor shall defend its title to the Collateral free and clear of all liens, charges, encumbrances, setoffs, defenses and counterclaims of every kind or nature (except for the security interests granted to Lender under this Agreement) against all present and future contradictory claims. Debtor shall not assign, sell, transfer or otherwise encumber the Collateral without the prior written consent of Lender. Debtor shall not license the Collateral except in good faith and in the ordinary course of business and so long as such license is capable of being assigned to Lender without any adverse effect of any kind. Debtor shall take any action needed to maintain the full value of the Collateral in a timely manner. Lender is hereby appointed as Debtor's agent to take any action necessary to maintain the full value of the Collateral upon the occurrence and during the continuance of an event of default described in this Agreement, including, but not limited to, filing affidavits of continued use and renewing the patents, patents pending, and patent applications, contained in the Collateral. Debtor shall reimburse Lender for all sums expended to maintain the Collateral together with interest thereon at the lesser of (a) the highest rate described in the Loan Documents or (b) the highest rate permitted by law. Notwithstanding the foregoing, Lender shall not be required to maintain the Collateral and does not assume any other obligation or liability pertaining to the Collateral.

6. **Events of Default.** Debtor shall be in default of the obligations described in this Agreement in the event that: (a) Debtor defaults on the payment or performance of one or more Obligations to Lender under this Agreement; or (b) an event of default occurs under the Loan

Agreement, any other Loan Document, or any other present or future document, instrument or agreement between Debtor and Lender.

7. **Remedies on Default.** If there is a default under this Agreement, Lender shall be entitled to exercise one or more of the following remedies without presentment, dishonor, notice or demand of any kind (all of which are hereby waived by Debtor):

- (a) to declare the Obligations immediately due and payable in full;
- (b) to collect the outstanding Obligations with or without resorting to judicial process;
- (c) to sell, license or otherwise dispose of any Collateral and collect any deficiency balance with or without resorting to legal process;
- (d) to set-off the Obligations against any amounts owing by Lender to Debtor and/or any Affiliate including, but not limited to, monies and instruments maintained with Lender; and
- (e) to exercise all other rights available to Lender under any other present or future document, instrument or agreement between Debtor and Lender or applicable law.

Lender's rights are cumulative and may be exercised together, separately, and in any order.

Without limiting any of Debtor's obligations or Lender's rights under this Agreement or any of the other Loan Documents, Debtor shall provide Lender upon Lender's request from time to time with updated versions of this Agreement which describe all of the Collateral applied for and registered with the U.S. Patent and Trademark Office. In addition, Debtor shall provide Lender upon Lender's request from time to time with absolute assignments of the Collateral. Such assignments shall be in form and substance reasonably acceptable to Lender in its discretion acting in good faith. Debtor hereby appoints Lender as its attorney-in-fact to insert the name and address of the assignee and any other information required by the U.S. Patent and Trademark Office and file the assignments with that governmental authority but only upon the occurrence of an event of default under this Agreement and the foreclosure of Lender's security interest in the Collateral under applicable law. This power of attorney is coupled with an interest and is irrevocable in nature.

8. **Indemnity.** Lender shall not assume or be responsible for the performance of any of Debtor's obligations with respect to the Collateral under any circumstances. Debtor shall immediately provide Lender with written notice of and indemnify and hold Lender harmless from all claims, damages, liabilities (including attorneys' fees and legal expenses), causes of action, actions, suits and other legal proceedings (collectively "Claims") pertaining to its business operations or the Collateral.

9. **Further Assurances.** Debtor shall take all actions and execute and file all documents necessary or reasonably requested by Lender to carry out the intent and purposes of this Agreement. Without limiting the foregoing, Debtor shall execute and file such financing statements and other documents in any location that Lender, acting in good faith, may deem

necessary or appropriate to perfect and preserve Lender's security interest in the Collateral and appoints Lender as Debtor's attorney-in-fact to execute and file the aforementioned documents. This power of attorney is coupled with an interest and is irrevocable in nature.

10. **Termination.** This Agreement and Lender's security interest in the Collateral shall terminate upon the elimination of Lender's obligations to lend any additional monies to Debtor and/or any Affiliate and the irrevocable payment and performance in full of the Obligations secured by this Agreement.

11. **Modification and Waiver.** No provision of this Agreement may be waived or modified except in a writing signed by the parties hereto. Lender may perform any of Debtor's obligations or delay or fail to exercise any of its rights under this Agreement without causing a waiver of those obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Debtor's obligations under this Agreement shall not be affected if Lender amends, compromises, exchanges, fails to exercise, impairs or releases any of the obligations belonging to any person or entity besides Debtor or any of its rights against any person or entity besides Debtor, any Collateral, or any other property of any kind.

12. **Successors and Assigns.** Debtor shall not be entitled to assign, convey, sell or transfer to any person or entity any of its rights or obligations described in this Agreement without obtaining Lender's prior written consent. This Agreement shall be binding upon and inure to the benefit of Debtor and Lender and their respective permitted successors, assigns, trustees and receivers.

13. **Attorney's Fees.** Lender shall be entitled to recover and shall be awarded its reasonable attorneys' fees, expenses and costs (incurred before trial, at trial and on appeal) in connection with the enforcement of Lender's rights and remedies under this Agreement.

14. **Construction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without regard to principles of conflict of laws.

15. **Headings.** The several captions to different sections of this Agreement are inserted for convenience only and shall be ignored in interpreting the provisions hereof.

16. **Singular, Plural and Gender References; Grammatical Corrections.** Singular references shall include plural references, plural references shall include singular references, references to one gender shall include references to other genders, and all other necessary grammatical modifications shall be deemed to have been made to the extent necessary to conform this Agreement to the intent of the parties.

17. **Confirmation of Accuracy.** Debtor declares under the penalties of perjury that it has examined the statements contained in this Agreement and, to the best of Debtor's knowledge and belief, such statements are true, correct and complete in all respects.

18. **Jurisdiction and Venue.** Debtor consents to the jurisdiction and venue of any federal or state court located in the City and County of Denver, State of Colorado, with respect to any litigation pertaining to the negotiation, execution, interpretation, or enforcement of any right or obligation under this Agreement.

19. **WAIVER OF JURY TRIAL.** IT IS MUTUALLY AGREED BY AND BETWEEN DEBTOR AND LENDER THAT THE RESPECTIVE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER ON ANY MATTER WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, THE LOAN AGREEMENT, ANY OF THE OTHER LOAN DOCUMENTS, OR THE TRANSACTIONS RELATED THERETO.

DEBTOR:

PREMIER OILFIELD EQUIPMENT CO., a
Delaware corporation

By: [Signature]
Name: Ian Dickinson
Title: President & CEO

LENDER:

BANK OF THE WEST

By: [Signature]
Name: Kathryn McDonald
Title: Vice President Special Assets

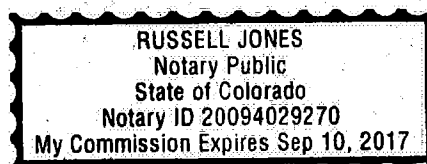
STATE OF COLORADO)
) ss.
COUNTY OF Morgan)

The foregoing instrument was acknowledged before me this 9th day of December, 2013 by Ian Dickinson as Pres & CEO of Premier Oilfield Equipment Co., a Delaware corporation, on behalf of such corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: 9/10/2017

Russell Jones
Notary Public



STATE OF COLORADO)

) ss.

COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 10th day of December, 2013 by Kathryn McDonald as Vice President, Special Assets of Bank of the West.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: 4/24/2017

Kathleen Gonzales
Notary Public

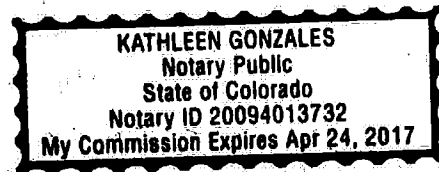


EXHIBIT A

Schedule of Patents and Intellectual Property

U.S. PATENTS

1. United States Patent Number 6547964, issued April 15, 2003, on Mud Tank Cleaning System.
2. United States Patent Number 6607666, issued on August 19, 2003, on Mud Tank Cleaning System.

CANADIAN PATENTS

1. Canadian Patent Number CA 2317667, issued on June 1, 2009, on Mud Tank Cleaning System (French Title: Systeme de Nettoyage de Reservoir a Boue)
2. Canadian Patent Number CA 2352619, issued on February 19, 2008, on Mud Tank Cleaning System (French Title: Systeme de Nettoyage de Reservoir a Boue)

U.S. Patent Application serial no. 13/323,580 and the accompanying Canadian patent application filed on December 12, 2011.

ROYALTY AND LICENSE AGREEMENTS

1. That certain Royalty and License Agreement by and between Pro-Tech Enterprises, LLC and Storm Trucks, LLC dated September 15, 2011
2. That certain Royalty and License Agreement by and between Pro-Tech Enterprises, LLC and Petrofield Industries, Inc. dated July 20, 2010, as amended
3. Any future royalty and license agreements relating to the patents.