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RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Reed-Hycalog Operating, L.P.

- Individual(s) Association General Partnership Limited Partnership Corporation-State Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other Grant of Trademark

Execution Date: 12/19/2002

2. Name and address of receiving party(ies)

Name: Deutsche Bank Trust Company Americas

Internal Address:

Address:

Street Address: 31 West 52nd Street

City: New York State: NY Zip: 10019

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State (New York) Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s) 75319387

B. Trademark Registration No.(s) 522,173 (see

Attachment for additional numbers)

Additional number(s) attached Yes No

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

Name: Gina Durham

Internal Address:

Street Address: c/o O'Melveny & Myers LLP

400 South Hope Street

City: Los Angeles State: CA Zip: 90071

6. Total number of applications and registrations involved:

14

7. Total fee (37 CFR 3.41) \$ 680.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

01/07/2003 DBYRNE 00000024 75319387

DO NOT USE THIS SPACE

9. Signature. 40.00 OP 325.00 OP 120.00 OP

Gina Durham Name of Person Signing

Signature

1/2/03 Date

Total number of pages including cover sheet, attachments, and document: 6

Refund Ref: 01/07/2003 DBYRNE 0000123439

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

CHECK Refund Total: \$195.00

**ATTACHMENT  
TO  
TRADEMARK RECORDATION FORM COVER SHEET**

**Additional Trademark Numbers**

**Trademark No.(s)**

<u>Owner</u>	<u>US Trademark Description</u>	<u>Registration Date</u>	<u>Registration Number</u>
Reed-Hycalog Operating, L.P.	"R"	2/26/80	1,131,179
Reed-Hycalog Operating, L.P.	MUDPICK (stylized)	4/1/86	1,388,055
Reed-Hycalog Operating, L.P.	MUDPICK (stylized)	4/1/86	1,388,056
Reed-Hycalog Operating, L.P.	HYCALOG	9/1/92	1,711,189
Reed-Hycalog Operating, L.P.	STEERINGWHEEL	9/1/98	2,185,768
Reed-Hycalog Operating, L.P.	TRANSFORMATION	9/1/98	2,185,769
Reed-Hycalog Operating, L.P.	SWITCHBLADE	9/1/98	2,185,770
Reed-Hycalog Operating, L.P.	BICENTRIX	9/15/98	2,189,214
Reed-Hycalog Operating, L.P.	DURADIAMOND	9/15/98	2,189,219
Reed-Hycalog Operating, L.P.	ASTRA	10/13/98	2,195,580
Reed-Hycalog Operating, L.P.	POWERSTEERING (trademark)	2/9/99	2,222,772
Reed-Hycalog Operating, L.P.	DURACLAD	1/9/01	2,419,247

## GRANT OF TRADEMARK SECURITY INTEREST

**WHEREAS**, each undersigned grantor and each Additional Grantor that may become a party hereto after the date hereof in accordance with Section 22 of the Security Agreement referenced below (each, a "**Grantor**"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

**WHEREAS**, pursuant to the terms of a Security Agreement dated as of December 19, 2002 (as amended, supplemented or otherwise modified from time to time, the "**Security Agreement**"; all capitalized terms used herein without definition having the meanings ascribed thereto in the Security Agreement), among the Grantors, Deutsche Bank Trust Company Americas, as Agent, ("**Secured Party**") and the other grantors named therein, each Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral, for the purpose of securing all Secured Obligations;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, each Grantor hereby grants to Secured Party a security interest in all of such Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which such Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Trademark Collateral**"):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically identified in Schedule A) (collectively, the "**Trademarks**"), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications specifically identified in Schedule A) (the "**Trademark Registrations**"), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries (the "**Trademark Rights**"), and all goodwill of such Grantor's business symbolized by the Trademarks and associated therewith (the "**Associated Goodwill**"); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term "**proceeds**" includes whatever is

receivable or received when Trademark Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Each Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, each Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 19<sup>th</sup> day of December, 2002.

**REED-HYCALOG OPERATING, L.P.**

By:         P.A.C          
Name:         Philip A. Chesce          
Title:         Vice President

**SCHEDULE A****TO****GRANT OF TRADEMARK SECURITY INTEREST****Trademarks Pending:**

<u>Applicant</u>	<u>US Trademark Description</u>	<u>File Date</u>	<u>Application No.</u>
Reed-Hycalog Operating, L.P.	POWERSTEERING (service mark)	7/3/97	75319387

**Trademarks Registered:**

<u>Owner</u>	<u>US Trademark Description</u>	<u>Registration Date</u>	<u>Registration Number</u>
Reed-Hycalog Operating, L.P.	REED	3/14/1950 (orig)	522,173
Reed-Hycalog Operating, L.P.	"R"	2/26/80	1,131,179
Reed-Hycalog Operating, L.P.	MUDPICK (stylized)	4/1/86	1,388,055
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Reed-Hycalog Operating, L.P.	SWITCHBLADE	9/1/98	2,185,770
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Reed-Hycalog Operating, L.P.	DURADIAMOND	9/15/98	2,189,219
Reed-Hycalog Operating, L.P.	ASTRA	10/13/98	2,195,580
Reed-Hycalog Operating, L.P.	POWERSTEERING (trademark)	2/9/99	2,222,772
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