

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	TRADEMARK SECURITY AGREEMENT		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
VAREL INTERNATIONAL IND., L.P.		01/15/2013	LIMITED PARTNERSHIP: DELAWARE
RECEIVING PARTY DATA			
Name:	CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, AS COLLATERAL AGENT		
Street Address:	ELEVEN MADISON AVENUE		
City:	NEW YORK		
State/Country:	NEW YORK		
Postal Code:	10010		
Entity Type:	BANK ORGANIZED AND EXISTING UNDER THE LAWS OF SWITZERLAND: SWITZERLAND		
PROPERTY NUMBERS Total: 13			
Property Type	Number	Word Mark	
Registration Number:	2716371	CHALLENGER	
Registration Number:	3247874	RIDGEBACK	
Registration Number:	3555681	V VAREL INTERNATIONAL	
Registration Number:	1511551	VAREL	
Registration Number:	3696321	TRISECT	
Registration Number:	1540144	WALKER MCDONALD WM BITS	
Registration Number:	3781470	A FORCE	
Registration Number:	4175804	TARGET	
Registration Number:	3793413	COMPASS	
Registration Number:	4222067	VULCAN	
Registration Number:	4186943	THOR	
Registration Number:	3854441	DIAMOND EDGE	
Registration Number:	4210242	HIGH ROLLER	

TRADEMARK

CORRESPONDENCE DATA

Fax Number: 7147558290

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.

Email: IPDOCKET@LW.COM, KRISTIN.AZCONA@LW.COM

Correspondent Name: LATHAM & WATKINS LLP

Address Line 1: 650 TOWN CENTER DRIVE, 20TH FLOOR

Address Line 4: COSTA MESA, CALIFORNIA 92626

ATTORNEY DOCKET NUMBER:	030768-0447
NAME OF SUBMITTER:	KRISTIN J AZCONA
Signature:	/KJA/
Date:	01/22/2013

Total Attachments: 10

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TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT**, dated as of January 15, 2013 (as it may be amended, restated, supplemented or otherwise modified from time to time, this "**Agreement**"), is made by the entities identified as grantors on the signature pages hereto (collectively, the "**Grantors**") in favor of Credit Suisse AG, Cayman Islands Branch (the "**Collateral Agent**") for the benefit of the Secured Parties (as defined in the Varel Collateral Agreement referred to below).

WHEREAS, Varel International Energy Services, Inc., a Delaware company ("**Varel**"), Varel International Ind., L.P., a Delaware limited partnership ("**Varel International**"), Varel International Energy Funding Corp., a Delaware corporation, as Lessor ("**Funding Corp.**"), and Credit Suisse AG, Cayman Islands Branch, as lease agent, have entered into a Registered Lease and Financing and Purchase Option Agreement, dated as of January 15, 2013;

WHEREAS, Varel, Varel International, Funding Corp., Credit Suisse AG, Cayman Islands Branch, as Commodities Facility Agent, AIA (as defined therein) and AIFL (as defined therein) have entered into a Revolver Working Capital Murabaha Facility Agreement, dated as of January 15, 2013;

WHEREAS, in connection with the Varel Documents, Varel and certain of its Subsidiaries have entered into the Varel Collateral Agreement, dated as of January 15, 2013 (as amended, supplemented or otherwise modified from time to time, the "**Varel Collateral Agreement**") in favor of the Collateral Agent for the benefit of the Secured Parties;

WHEREAS, under the terms of the Varel Collateral Agreement, the Grantor has granted a security interest in certain Intellectual Property Collateral, including, without limitation, certain Trademark Collateral (as defined below) of the Grantor to the Collateral Agent for the ratable benefit of the Secured Parties, and have agreed as a condition thereof to execute this Trademark Security Agreement for recording with the United States Patent and Trademark Office and other applicable Governmental Authorities;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantors hereby agree with the Collateral Agent as follows:

SECTION 1. DEFINED TERMS

Unless otherwise defined herein, terms defined in the Varel Collateral Agreement and used herein have the meaning given to them in the Varel Collateral Agreement.

SECTION 2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL

SECTION 2.1. Grant of Security. Each Grantor hereby pledges and grants to the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest in all of the following property, in each case, wherever located and now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "**Trademark Collateral**") as collateral security

for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:

(i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, certification marks, collective marks, logos, designs and other source or business identifiers, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country, union of countries, or any political subdivision of any of the foregoing, or otherwise, and all common-law rights related thereto, including any of the foregoing listed in Schedule A, (ii) the right to, and to obtain, all renewals thereof, (iii) the goodwill of the business connected with the use of and symbolized by the foregoing, (iv) general intangibles of a like nature, (v) the right to sue or otherwise recover for past, present and future infringement, dilution or other violation of any of the foregoing or for any injury to goodwill, and all Proceeds of the foregoing, including license fees, royalties, income, payments, claims, damages and proceeds of suit, and (vi) all other rights accruing thereunder or pertaining thereto throughout the world.

SECTION 2.2. Certain Limited Exclusions. Notwithstanding anything herein to the contrary, in no event shall the Trademark Collateral include or the security interest granted under Section 2.1 hereof attach to any "intent-to-use" application for registration of a Trademark filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, prior to the filing of a "Statement of Use" pursuant to Section 1(d) of the Lanham Act or an "Amendment to Allege Use" pursuant to Section 1(c) of the Lanham Act with respect thereto, solely to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of any registration that issues from such intent-to-use application under applicable federal law.

SECTION 3. VAREL COLLATERAL AGREEMENT

The security interest granted pursuant to this Agreement is granted in conjunction with the security interest granted to the Collateral Agent for the Secured Parties pursuant to the Varel Collateral Agreement, and the Grantors hereby acknowledge and affirm that the rights and remedies of the Collateral Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Varel Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Agreement is deemed to conflict with the Varel Collateral Agreement, the provisions of the Varel Collateral Agreement shall control.

SECTION 4. GOVERNING LAW

THIS AGREEMENT AND ANY CLAIM OR CONTROVERSY RELATING TO THE SUBJECT MATTER HEREOF, WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE, SHALL BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES

OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

SECTION 5. COUNTERPARTS

This Agreement may be executed in one or more counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

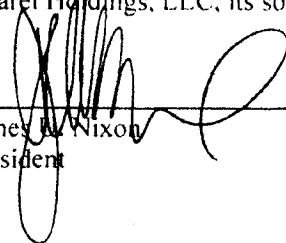
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IN WITNESS WHEREOF, each Grantor has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

VAREL INTERNATIONAL IND., L.P.

By: Varel GP Newco, LLC, its general partner

By: Varel Holdings, LLC, its sole member

By: 
James W. Nixon
President

[Signature Page to Trademark Security Agreement]

CREDIT SUISSE AG, CAYMAN ISLANDS
BRANCH, as Collateral Agent

By:  _____


Name: John D. Toronto
Title: Managing Director

By:  _____





Name: **Wei-Jen Yuan**
Title: **Associate**






**SCHEDULE A
TO
TRADEMARK SECURITY AGREEMENT**

TRADEMARK REGISTRATIONS AND APPLICATIONS

Entity Name	Country	Mark	Filing Date / Grant Date	Status	Application No. / Registration No.
Varel International Ind., L.P.	United States	CHALLENGER	(F) 05/29/2001 (G) 05/13/2003		Reg. 2,716,371
Varel International Ind., L.P.	United States	RIDGEBACK	(F) 08/07/2001 (G) 05/29/2007		Reg. 3,247,874
Varel International Ind., L.P.	United States	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 06/14/2007 (G) 01/06/2009		Reg. 3555681
Varel International Ind., L.P.	United States	VAREL	(F) 04/27/1988 (G) 11/08/1988 (renewed on 11/08/2008)		Reg. 1,511,551
Varel International Ind., L.P.	United States	DEDICATED TO DRILL BITS	(F) 08/07/2007 (G) 10/13/2009		Reg. 3696231
Varel International Ind., L.P.	United States	WALKER McDONALD WM BITS (& DESIGN)	(F) 09/15/1988 (G) 05/23/1989 (renewed on 05/23/2009)		Reg. 1,540,144
Varel International Ind., L.P.	United States	A FORCE	(F) 11/24/2008 (G) 04/27/2010		Reg. 3781470
Varel International Ind., L.P.	United States	TARGET	(F) 11/24/2008 (G) 07/17/2012		Reg. 4175804
Varel International Ind., L.P.	United States	COMPASS	(F) 01/12/2009 (G) 05/25/2010		Reg. 3793413
Varel International Ind., L.P.	United States	VULCAN	(F) 12/08/2009 (G) 10/09/2012		Reg. 4222067
Varel International Ind., L.P.	United States	THOR	(F) 12/08/2009 (G) 08/07/2012		Reg. 4186943
Varel International Ind., L.P.	United States	DIAMOND EDGE	(F) 01/14/2009 (G) 09/28/2010		Reg. 3854441

Entity Name	Country	Mark	Filing Date / Grant Date	Status	Application No. / Registration No.
Varel International Ind., L.P.	United States	HIGH ROLLER	(F) 04/26/2011 (G) 09/18/2012		Reg. 4210242
Varel International Ind., L.P.	United States	SUPERLEACH	(F) 09/20/2011		Ser. 85/427262
Varel International Ind., L.P.	United States	EXTRALEACH	(F) 09/20/2011		Ser. 85/427286
Varel International Ind., L.P.	United States	ULTRADEEP	(F) 09/20/2011		Ser. 85/427273
Varel International Ind., L.P.	United States	SUPERDEEP	(F) 09/20/2011		Ser. 85/427279
Varel International Ind., L.P.	United States	DEEPLAACH	(F) 09/20/2011		Ser. 85/427251
Varel International Ind., L.P.	United States	ULTRALEACH	(F) 09/20/2011		Ser. 85/427258
Varel International Ind., L.P.	United States	TOTALLEACH	(F) 09/20/2011		Ser. 85/427302
Varel International Ind., L.P.	United States	EDGEGUARD	(F) 04/06/2012		Ser. 76/711128
Varel International Ind., L.P.	United States	VOYAGER	(F) 04/06/2012		Ser. 76/711129
Varel International Ind., L.P.	United States	RAIDER	(F) 05/29/2012		Ser. 76/711606
Varel International Ind., L.P.	United States	AVENGER	(F) 06/13/2012		Ser. 76/711724
Varel International Ind., L.P.	United States	KATANA	(F) 09/17/2012		Ser. 76/712411
Varel International Ind., L.P.	France	VAREL	(F) 07/27/1988 (G) 07/27/1988		Reg. 1480288
Varel International Ind., L.P.	Italy	VAREL	(F) 08/16/1998 (G) 04/24/2001 [(F) 07/22/2008]		Reg. 1300259 Renewal Reg. 844259 RM/2008/4486

Entity Name	Country	Mark	Filing Date / Grant Date	Status	Application No. / Registration No.
Varel International Ind., L.P.	Mexico	VAREL	(F) 08/17/1988 (G) 07/07/1993		Reg. 364265
Varel International Ind., L.P.	Venezuela	VAREL	(F) 03/25/1992 (G) 10/07/1994		Reg. 169729
Varel International Ind., L.P.	European Community	VAREL	(F) 04/04/2011 (G) 09/06/2011		Reg. 009865262
Varel International Ind., L.P.	United Kingdom	VAREL	(F) 04/04/2011 (G) 07/08/2011		Reg. 2577162
Varel International Ind., L.P.	France	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 08/14/2007 (G) 01/18/2008		Reg. 07 3 519 749
Varel International Ind., L.P.	Australia	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 08/08/2007 (G) 01/29/2008		Reg. 1191672
Varel International Ind., L.P.	Saudi Arabia	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 08/08/2007 (G) 08/29/2008		Reg. 1007/79
Varel International Ind., L.P.	Canada	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 09/13/2007 (G) 10/15/2009		Reg. TMA750359

Entity Name	Country	Mark	Filing Date / Grant Date	Status	Application No. / Registration No.
Varel International Ind., L.P.	Mexico	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 08/18/2007 (G) 02/29/2008		Reg. 1028216
Varel International Ind., L.P.	United Kingdom	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 08/09/2007 (G) 02/29/2008		Reg. 2463704
Varel International Ind., L.P.	Chile	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 10/11/2007 (G) 04/24/2008		Reg. 814.904
Varel International Ind., L.P.	Russian Federation	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 08/14/2007 (G) 10/20/2008		Reg. 362498
Varel International Ind., L.P.	United Arab Emirates	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 09/20/2007 (G) 04/19/2010		Reg. 101999

Entity Name	Country	Mark	Filing Date / Grant Date	Status	Application No. / Registration No.
Varel International Ind., L.P.	South Africa	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	(F) 08/08/2007 (G) 07/02/2010		Reg. 2007/17789
Varel International Ind., L.P.	Australia	DEDICATED TO DRILL BITS	(F) 09/24/2007 (G) 03/17/2008		Reg. 1200434
Varel International Ind., L.P.	Canada	DEDICATED TO DRILL BITS	(F) 09/24/2007 (G) 07/09/2010		Reg. TMA771604
Varel International Ind., L.P.	South Africa	DEDICATED TO DRILL BITS	(F) 09/25/2007 (G) 04/23/2010		Reg. 2007/21753
Varel International Ind., L.P.	United Kingdom	VAREL DEDICATED TO DRILL BITS	(F) 12/07/2007 (G) 05/02/2008		Reg. 2474412
Varel International Ind., L.P.	European Community	VAREL INTERNATIONAL	(F) 04/04/2011 (G) 09/06/2011		Reg. 009865296
Varel International Ind., L.P.	United Kingdom	VAREL INTERNATIONAL	(F) 04/04/2011 (G) 07/08/2011		Reg. 2577163
Varel International Ind., L.P.	Australia	DEDICATED TO DRILL BITS	(F) 10/04/2012		Ser. 7154518257