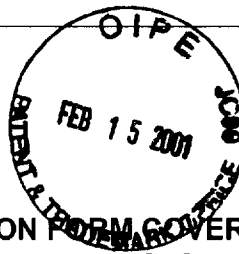


02-26-2001



101620087



U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

2-15-01

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type <input checked="" type="checkbox"/> New <input type="checkbox"/> Resubmission (Non-Recordation) Document ID# <input type="text"/> <input type="checkbox"/> Correction of PTO Error Reel # <input type="text"/> Frame # <input type="text"/> <input type="checkbox"/> Corrective Document Reel # <input type="text"/> Frame # <input type="text"/>	Conveyance Type <input type="checkbox"/> Assignment <input type="checkbox"/> License <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Nunc Pro Tunc Assign. <small>Effective Date Month Day Year</small> <input type="checkbox"/> Merger <input type="text"/> <input type="checkbox"/> Change of Name <input type="checkbox"/> Other <input type="text"/>
---	---

Conveying Party(ies) Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)
 Address (line 2)
 Address (line 3)
City State/Country Zip Code

Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Corporation Association

Other

Citizenship/State of Incorporation/Organization

02/23/2001 DBYRNE 00000007 75504715
01 FC:481 40.00 OP
02 FC:482 100.00 OP

FOR OFFICE USE ONLY

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, DC 20231

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="75/504,715"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2,365,114"/>	<input type="text" value="1,921,165"/>	<input type="text" value="1,461,655"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,433,532"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account of if additional fees can be charged to the account.)

Deposit Account Number:

#

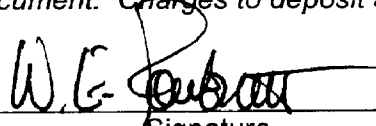
Authorization to charge additional fees:

Yes No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

William E. Powell, III
Name of Person Signing


Signature

February 15, 2001
Date Signed

ADDITIONAL RECEIVING PARTIES

Name EQUUS II INCORPORATED
2929 ALLEN PARKWAY
SUITE 2500
HOUSTON, TEXAS 77019

The obligations of the Borrowers and the rights of the Holders herein are subject and subordinate to the prior rights of First Source Financial LLP and certain Lenders, as defined in and according to the terms of a certain Subordination Agreement dated August 18, 1998, as the same has been and may from time to time be amended. Reference is made hereby to such agreement for a statement of the relative rights and preferences of the Holders and such parties.

**AGREEMENT
(Trademark)**

THIS AGREEMENT (TRADEMARK), dated as of June 30, 2000 (this "**Agreement**"), between **DRILLTEC PATENTS & TECHNOLOGIES COMPANY, INC.**, a Delaware corporation ("**DPTC**"), and **ALLIED CAPITAL CORPORATION**, a Maryland corporation ("**Allied**") and **EQUUS II INCORPORATED**, a Delaware corporation ("**Equus**", and together with Allied, the " **Holders**").

RECITALS

A. On August 18, 1998, DPTC, Allied and certain other parties entered into an Investment Agreement (as amended, the "**Investment Agreement**"), whereby DPTC, among other things, (1) issued to Allied a certain Debenture in the aggregate face amount of Ten Million Dollars (\$10,000,000) (the "**Initial Debenture**") in consideration for a loan in that amount from Allied and (2) executed and delivered to Allied certain Security Documents to secure the repayment of the Initial Debenture and other obligations under the Agreement. Capitalized terms used but not otherwise defined in this Agreement shall have the meanings provided in the Investment Agreement.

B. On December 28, 1998, DPTC, Allied, and other parties entered into an Amendment to Investment Agreement pursuant to which Allied, among other things, consented to the corporate reorganization of DPTC and the Borrowers (defined below).

C. On September 9, 1999, DPTC, Allied, and certain other parties entered into a Second Amendment to the Investment Agreement pursuant to which the Holders made additional loans in the aggregate principal amount of Two Million Five Hundred Thousand Dollars (\$2,500,000), and in consideration for a loan in such amount, DPTC, among other things, issued to Allied a debenture in the original principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000) (the "**Allied Subsequent Debenture**") and to Equus a debenture in the original principal amount of One Million Dollars (\$1,000,000) (the "**Equus Subsequent Debenture**") (the Allied Subsequent Debenture and the Equus Subsequent Debenture referred to herein collectively as the "**Subsequent Debentures**").

D. In connection with the Investment Agreement, DPTC (or its predecessor in interest) executed and delivered a Collateral Assignment of Intellectual Property dated as of August 18, 1998 (the "**Security Agreement**").

E. As a condition precedent to the Holders entering into the Third Amendment to Investment Agreement and Investment Documents (the "**Third Amendment**") dated as of June 30,

2000 by and among (i) The Drilltec Corporation, a Delaware corporation and successor by merger to The Drilltec Corporation, a Texas corporation ("**Parent**"), DPTC, Drilltec GP, L.L.C., a Delaware limited liability company ("**DGP**"), Drilltec LP, L.L.C., a Delaware limited liability company ("**DLP**"), Drilltec Technologies, L.P., a Delaware limited partnership formerly known as Drilltec Merger, L.P. and successor by merger to Drilltec Technologies, Inc., a Delaware corporation ("**DTLP**"), and Drilltec Indonesia, Inc., a Texas corporation ("**DII**") (Parent, DPTC, DGP, DLP, DTLP and DII, collectively the "**Borrowers**"); and (ii) the Holders, DPTC is required to execute and deliver this Agreement and to grant to Holders a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Obligations.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, DPTC agrees, for the benefit of Holders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the respective meanings provided or provided by reference in the Investment Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure the prompt and complete payment, performance and observance of all of the Obligations, DPTC does hereby mortgage, pledge and grant to Holders a continuing security interest in, all of the following property of DPTC (the "**Trademark Collateral**"), whether now or hereafter owned, acquired, existing or arising:

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, certification marks, collective marks, logos, other sources of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (each of the foregoing items in this **clause (a)** being called a "**Trademark**"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in **Attachment 1** hereto;

(b) all Trademark licenses, including each Trademark license referred to in **Attachment 1** hereto;

(c) all reissues, extensions or renewals of any of the items described in **clauses (a) and (b)**;

(d) all of the goodwill of the business connected with the use of, and symbolized by the items described in **clauses (a) and (b)**; and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by DPTC against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration, or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in **Attachment 1** hereto, or for any injury to the goodwill associated with the use of any Trademark or for breach or enforcement of any Trademark license.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by DPTC for the purpose of registering the security interest of Holders in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Holders under the Security Agreement. The Security Agreement (and all rights and remedies of Holders thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment and satisfaction in full of all Obligations, Holders shall, at DPTC's expense, execute and deliver to DPTC all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Trademark Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. DPTC does hereby further acknowledge and affirm that the rights and remedies of Holders 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 (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Investment Document, Etc. This Agreement is an Investment Document executed pursuant to the Investment Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Investment Agreement.

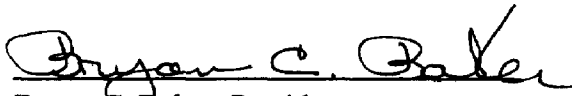
SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

SECTION 8. Subordination. The Holders rights under this Agreement are subordinate to the prior rights of First Source Financial LLP and certain Lenders, (a) as defined in and according to the terms of a certain Subordination Agreement dated August 18, 1998, as the same has been and may from time to time be amended, and (b) under that certain Agreement (Trademarks) executed by DPTC in favor of First Source Financial LLP and dated September 9, 1999.


[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

**DRILLTEC PATENTS & TECHNOLOGIES
COMPANY, INC.**

By: 
Bryan C. Baker, President

**ALLIED CAPITAL CORPORATION, a Maryland
corporation, as a Holder**

By: 
Name: Philip A. McNeill
Title: Managing Director

**EQUUS II INCORPORATED, a Delaware
corporation, as a Holder**

By: _____
Patrick M. Cahill, Vice President

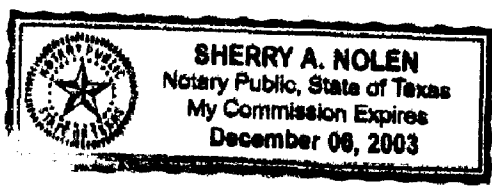
STATE OF TEXAS)
) SS.
COUNTY OF HARRIS)

I, Sherry Nolen a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that Bryan C. Baker personally known to me to be a *President* of DRILLTEC PATENT & TECHNOLOGIES COMPANY, INC., a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as *President* of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 30 day of June, 2000.

Notary Public

My Commission Expires:



Trademark Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

**DRILLTEC PATENTS & TECHNOLOGIES
COMPANY, INC.**

By: _____
Bryan C. Baker, President

ALLIED CAPITAL CORPORATION, a Maryland
corporation, as a Holder

By: Philip A McNeill
Name: Philip A. McNeill
Title: Managing Director

EQUUS II INCORPORATED, a Delaware
corporation, as a Holder

By: _____
Patrick M. Cahill, Vice President

STATE OF TEXAS)

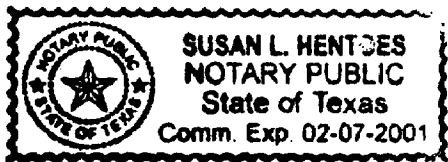
COUNTY OF HARRIS)

SS.

Susan L. Hentges

I, Susan L. Hentges a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that *Patrick M. Cahill* personally known to me to be a *Vice President* of EQUUS II INCORPORATED, a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as *Vice President* of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 30 day of June, 2000.



Susan L. Hentges

Notary Public

My Commission Expires:

I, Catherine A. Frazier,

a notary public in and for said jurisdiction, DO HEREBY CERTIFY that Philip A. McNeill personally known to me to be a *Managing Director* of ALLIED CAPITAL CORPORATION, a Maryland corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as Managing Director of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 15th day of November, 2000.

Catherine A. Frazier
Notary Public

My Commission Expires:

9/30/2005

Item A. Trademarks

Registered Trademarks

<u>Country</u>	<u>Trademark</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
United States	Drilltec	1,433,532	3/24/87
United States	Drilltec	1,461,655	10/20/87
United States	Environclean	1,921,165	9/19/95
United States	Act	2,365,114	5/11/99

Pending Trademark Applications

<u>Country</u>	<u>Trademark</u>	<u>App. No.</u>	<u>Filing Date</u>
United States	PROCADD	75/504,715	06/18/96

Trademark Applications in Preparation

None.

Item B. Trademark Licenses

None.