TRADEMARK ASSIGNMENT

Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: **NEW ASSIGNMENT**

Notice of Substitution of Agent in Intellectual Property for Reel/Frame: 3676/737 NATURE OF CONVEYANCE:

and 4227/0029

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Lehman Commercial Paper Inc.		09/13/2011	Collateral Agent: NEW YORK

RECEIVING PARTY DATA

Name:	Credit Suisse AG, Cayman Islands Branch	
Street Address:	Eleven Madison Avenue	
Internal Address:	OMA 2	
City:	New York	
State/Country:	NEW YORK	
Postal Code:	10010	
Entity Type:	Collateral Agent: SWITZERLAND	

PROPERTY NUMBERS Total: 12

Property Type	Number	Word Mark
Registration Number:	1511551	VAREL
Registration Number:	1540144	WALKER MCDONALD WM BITS
Registration Number:	2716371	CHALLENGER
Registration Number:	3247874	RIDGEBACK
Registration Number:	3555681	V VAREL INTERNATIONAL
Registration Number:	3696231	DEDICATED TO DRILL BITS
Registration Number:	3781470	A FORCE
Registration Number:	3793413	COMPASS
Serial Number:	76700729	THOR
Serial Number:	76700730	VULCAN
Registration Number:	3854441	DIAMOND EDGE
Serial Number:	76694421	TARGET

CORRESPONDENCE DATA

Fax Number: (212)556-2222 Phone: 2125562100

Email: patentmailnyc@kslaw.com

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

via US Mail.

Correspondent Name: King & Spalding LLP

Address Line 1: 1185 Avenue of the Americas
Address Line 4: New York, NEW YORK 10036

ATTORNEY DOCKET NUMBER:	05241-254084
NAME OF SUBMITTER:	Susan Shen-Frattura
Signature:	/Susan Shen-Frattura/
Date:	09/15/2011

Total Attachments: 10

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NOTICE OF SUBSTITUTION OF AGENT IN INTELLECTUAL PROPERTY

This NOTICE OF SUBSTITUTION OF AGENT IN INTELLECTUAL PROPERTY (this "Notice") is effective as of September 13, 2011 (the "Effective Date"), by and among (i) VAREL INTERNATIONAL IND., L.P., a Delaware limited partnership, (the "Grantor"), (ii) LEHMAN COMMERCIAL PAPER INC., a debtor and debtor in possession under chapter 11 of the Bankruptcy Code (defined below) acting alone or through one or more of its branches as the Administrative Agent, Collateral Agent and L/C Arranger (in such capacities, the "Existing Agent") under the Credit Agreement referred to below, and (iii) CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as the successor agent to the Credit Agreement and other related agreements referred to below (in such capacity, together with its successors and assigns, if any, in such capacity, the "Successor Agent"). Defined terms in the Credit Agreement have the same meanings where used herein, unless otherwise defined.

WITNESSETH

WHEREAS, Varel Funding LLC (formerly Varel Funding Corp.) (the "Borrower"), the Lenders, the Existing Agent and Lehman Brothers Inc., as Sole Lead Arranger and Sole Bookrunner, have entered into the Credit Agreement dated as of November 5, 2007, as amended by the First Amendment to Credit Agreement dated June 4, 2010 (and as further amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, on October 5, 2008, the Existing Agent commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and on such date, pursuant to section 362(a) of the Bankruptcy Code, an automatic stay went into effect that prohibits actions to interfere with, or obtain possession or control of, the Existing Agent's property or to collect or recover from the Existing Agent any debts or claims that arose before such date;

WHEREAS, the Existing Agent desires to resign as Administrative Agent, Collateral Agent and L/C Arranger under the Credit Agreement and the other Loan Documents, as well as any other arranger or agency capacity thereunder;

WHEREAS, the Borrower and the Required Lenders desire to ratify the appointment of Credit Suisse AG, Cayman Islands Branch as successor Administrative Agent, Collateral Agent and L/C Arranger (in such capacities together, the "Successor Agent") under the Credit Agreement and the other Loan Documents and the Successor Agent wishes to accept such appointment;

WHEREAS, the Existing Agent desires to resign as Collateral Agent under the applicable Shari'ah Operative Documents, as well as any other arranger or agency capacity thereunder, and the Borrower desires to replace the Existing Agent and appoint the Successor Agent as Collateral Agent under the same applicable Shari'ah Operative Documents;

WHEREAS, on November 5, 2007, the Grantor, Varel Acquisition Holding, Inc. and the Existing Agent entered into a Guarantee and Security Agreement ("Security Agreement") and an Intellectual Property Security Agreement;

WHEREAS, pursuant to said Security Agreement and Intellectual Property Security Agreement, the Grantor granted to the Existing Agent, among other collateral, a continuing security interest in all of the Grantor's right, title and interest, including goodwill, in, to and under the patents and trademarks listed on the attached <u>Schedule A</u> (the "<u>Intellectual Property</u>");

WHEREAS, said Intellectual Property Security Agreement was recorded in the United States Patent & Trademark Office on December 12, 2007, at reel/frame 3676/0737 with respect to U.S. trademarks and trademark applications and on December 21, 2007, at reel/frame 020299/0001 with respect to U.S. patents and patent applications;

WHEREAS, on June 4, 2010, the Grantor, Varel Acquisition Holding, LLC, certain subsidiaries of Varel Acquisition Holding, LLC and the Existing Agent amended and restated the Security Agreement, and the Grantor and the Existing Agent entered into a Confirmatory Grant of Security Interest in Intellectual Property;

WHEREAS, pursuant to said Security Agreement and Confirmatory Grant of Security Interest in Intellectual Property, the Grantor granted to the Existing Agent, among other collateral, a continuing security interest in all of the Grantor's right, title and interest, including goodwill, in, to and under the Intellectual Property listed on the attached <u>Schedule B</u>;

WHEREAS, said Confirmatory Grant of Security Interest in Intellectual Property was recorded in the United States Patent & Trademark Office on June 17, 2010, at reel/frame 4227/0029 with respect to U.S. trademarks and trademark applications and also on June 17, 2010 at reel/frame 024547/0944 with respect to U.S. patents and patent applications; and

WHEREAS, the Existing Agent is executing this Notice for the purpose of giving notice of the transfer of its security interest in the Intellectual Property to the Successor Agent pursuant to the Credit Agreement.

NOW, THEREFORE, the Existing Agent hereby gives notice that it has transferred and conveyed to the Successor Agent as set forth in the Credit Agreement all of its right and interest, pursuant to the Security Agreement, Intellectual Property Security Agreement and Confirmatory Grant of Security Interest in Intellectual Property, in and to the Intellectual Property, described on Schedules A and B attached hereto. Each of the Borrower and the Grantor acknowledge its liabilities and obligations detailed in the Security Agreement and consents to the change in agents.

This Notice may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of this Notice by facsimile shall be effective as delivery of a manually executed counterpart of this Notice.

IN WITNESS WHEREOF, the Existing Agent has caused this Notice to be duly executed by its duly authorized officer or representative as of the day and year first above written.

LEHMAN COMMERCIAL PAPER INC.,

as Existing Agent

By:

Name: Maria Lund

Title Authorized Signatory

[Signature Page to Notice of Substitution of Agent in Intellectual Property]

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,

as Successor Agent

By:

Name: Title:

Christopher Reo Day Vice President

By:

VIPUL DHADDA ASSOCIATE Title:

$\begin{tabular}{ll} \textbf{VAREL INTERNATIONAL IND., LP., as} \\ \textbf{Grantor} \end{tabular}$

By: VAREL GP NEWCO, LLC, its general partner

By: VAREL HOLDINGS, LLC, its sole member

By:

Name: / James U. Nixon

Title: President

Schedule A

<u>to</u>

Notice Of Substitution Of Agent In Intellectual Property

PATENTS RECORDED AT REEL/FRAME 20299/0001

1	Patent #: 5944125 Issue Title: ROCK BIT WITH IMPRO		Application # : 08878622	Filing Dt: 06/19/1997
2	Patent #: 6296929 Issue Title: BI-CENTER BIT ASSEM		Application #: 09457425	Filing Dt: 12/07/1999
3	Patent #: 6450270 Issue Title: ROTARY CONE BIT FOR		Application # : 09669998	Filing Dt: 09/25/2000
4	Patent #: 6488196 Issue Title: SUPERABRASIVE CUTT		Application #: 09777295	Filing Dt: 02/05/2001
5	Patent #: 6568492 Publication #: US20020121393 Title: DRAG-TYPE CASIN		• • • • • • • • • • • • • • • • • • • •	Filing Dt: 03/02/2001
6	Patent #: 9834733 Issue Title: SPIRAL WAVE BLADED		Application #: 10235690	Filing Dt: 09/04/2002
7	Patent #: 6887317 Publication #: US20030094766 Title: BEARING SEAL	Issue Dt: 01/04/200 Pub Dt: 05/22/200	• •	Filing Dt: 11/13/2002
8	Patent #: 6892832 Publication #: US20030094312 Title: BREAKABLE WASH		• •	Filing Dt: 11/13/2002
9	Patent #: 6304983 Publication #: US20040149495 Title: LOW-CONTACT AF		• •	Filing Dt: 01/30/2003
10	Patent # : 6926099 Publication # : US26046188149 Title: DRILL OUT BI-CEN	Issue Dt: 08/09/200 Pub Dt: 09/30/200 ITER BIT AND METHOD F)4	Filing Dt: 03/26/2003
11	Publication #: <u>US20040211597</u>			
12	Patent #: 7258833 Publication #: US20050053511 Title: HIGH-ENERGY CAS	Issue Dt: 08/21/200 Pub Dt: 03/10/200 SCADING OF ABRASIVE V	05	Filing Dt: 09/09/2003
13	Patent # : 7000712 Publication # : US20050103531 Title: BEARING SEAL	Issue Dt: 02/21/200 Pub Dt: 05/19/200	* *	Filing Dt: 12/20/2004
14	Patent #: 7677333 Publication #: US20070240905 Title: DRILL BIT WITH M	Issue Dt: 03/16/201 Pub Dt: 10/18/200 IULTIPLE CUTTER GEOME	7	Filing Dt: 04/18/2006
15	Patent #: NONE	Issue Dt:	Application #: 11555547	Filing Dt: 11/01/2006

Publication #: <u>US20070267227</u> Pub Dt: 11/22/2007

Title: DRILL BIT WITH STAGED DURABILITY, STABILITY AND ROP CHARACTERISTICS

Patent #: NONE Issue Dt: Application #: 11643718 Filing Dt: 12/20/2006

16 Publication #: <u>US20070235230</u> Pub Dt: 10/11/2007

Title: PDC cutter for high compressive strength and highly abrasive formations

Patent #: NONE Issue Dt: Application #: 11801338 Filing Dt: 05/08/2007

17 Publication #: <u>US20070272446</u> Pub Dt: 11/29/2007

Title: Drill bit with application specific side cutting efficiencies

18. TITLE: AUTO ADAPTABLE CUTTING STRUCTURE APPLICATION #: 60949419

19. TITLE: HIGH-ENERGY CASCADING OF ABRASIVE WEAR COMPONENTS

APPLICATION #: PCT/ US/ 2004/ 029331

TRADEMARKS RECORDED AT REEL/FRAME 3676/737

1	Serial #: 73724991 Mark: VAREL	Filing Dt: 04/27/1988	Reg #: 1511551	Reg. Dt: 11/08/1988
2	Serial #: 73753276 Mark: WALKER MCDONAL	Filing Dt: 09/15/1988 D WM BITS	Reg #: 1540144	Reg. Dt: 05/23/1989
3	Serial #: 76264105 Mark: CHALLENGER	Filing Dt: 05/29/2001	Reg #: 2716371	Reg. Dt: 05/13/2003
4	Serial #: 76297328 Mark: RIDGEBACK	Filing Dt: 08/07/2001	Reg #: <u>3247874</u>	Reg. Dt: 05/29/2007
5	Serial #: 76678188 Mark: V VAREL INTERNAT	Filing Dt: 06/14/2007 TONAL	Reg #: 3555681	Reg. Dt: 01/06/2009
6	Serial #: 76680424 Mark: DEDICATED TO DR	Filing Dt: 08/07/2007 ILL BITS	Reg #: 3696231	Reg. Dt: 10/13/2009

Schedule B

<u>to</u>

Notice Of Substitution Of Agent In Intellectual Property

PATENTS RECORDED AT REEL/FRAME 24547/944

	Patent #: NONE	Issue Dt:	Application #: 12056595	Filing Dt: 03/27/2008	
	Publication #: US20080240879	Pub Dt: 10/02/2008			
1		TUTED BY HARD PARTICLES	INT COMPRISING AT LEAST ONE DISPERSED IN A BINDER PHASE		
	Patent #: 7721827	Issue Dt: 05/25/2010	Application #: 12147238	Filing Dt: 06/26/2008	
2	Publication #: <u>US20090045585</u>	Pub Dt: 02/19/2009			
	Title: ROCK BIT HAVIN	G A SEAL GLAND WITH A CO	DNICAL SEALING SURFACE		
	Patent #: NONE	Issue Dt:	Application #: 12171070	Filing Dt: 07/10/2008	
3	Publication # : <u>US20060264696</u>	Pub Dt: 10/30/2008			
	Title: AUTO ADAPTABL	E CUTTING STRUCTURE			
	Patent #: NONE	Issue Dt:	Application #: 12180276	Filing Dt: 07/25/2008	
4	Publication #: <u>US20090025984</u>	Pub Dt: 01/29/2009			
•	Title: SINGLE MOLD MILLING PROCESS FOR FABRICATION OF ROTARY BITS TO INCLUDE NECESSARY FEATURES UTILIZED FOR FABRICATION IN SAID PROCESS				
	Patent #: NONE	Issue Dt:	Application #: 12252145	Filing Dt: 10/15/2008	
5	Publication #: <u>US20090032169</u>	Pub Dt: 02/05/2009			
	Title: PROCESS FOR TH	E PRODUCTION OF A THERM	MALLY STABLE POLYCRYSTALLINE	EDIAMOND COMPACT	
	Patent # : 7832505	Issue Dt: 11/16/2010	Application #: 12252252	Filing Dt: 10/15/2008	
6	Publication # : <u>US20090114452</u>	Pub Dt: 05/07/2009			
	Title: ROCK BIT WITH	A THERMAL INSULATING SEA	AL RING POSITIONED IN THE SE	AL GLAND	
	Patent #: NONE	Issue Dt:	Application #: 12326757	Filing Dt: 12/02/2008	
7	Publication # : <u>US20090145668</u>	Pub Dt: 06/11/2009			
	Title: IMPREGNATED R	OTARY BIT			
	Patent #: NONE	Issue Dt:	Application #: 12359065	Filing Dt: 01/23/2009	
8	Publication # : <u>US20100191471</u>	Pub Dt: 07/29/2010			
	Title: METHOD TO DET	ERMINE ROCK PROPERTIES	FROM DRILLING LOGS		
	Patent #: NONE	Issue Dt:	Application #: 12398730	Filing Dt: 03/05/2009	
9	Publication # : <u>US20090232434</u>	Pub Dt: 09/17/2009			
	Title: TEXTURING OF T	HE BEARING SURFACE FOR .	A ROLLER CONE ROCK BIT		
	Patent #: NONE	Issue Dt:	Application #: 12399171	Filing Dt: 03/06/2009	
10	Publication # : <u>US20090232428</u>	Pub Dt: 09/17/2009			
	Title: TEXTURING OF THE SEAL SURFACE FOR A ROLLER CONE ROCK BIT				
	Patent #: NONE	Issue Dt:	Application #: 12399478	Filing Dt: 03/06/2009	
11	Publication # : <u>US20090223721</u>	Pub Dt: 09/10/2009			
	Title: SECTORIAL FORCE BALANCING OF DRILL BITS				
	Patent #: NONE	Issue Dt:	Application #: 12472003	Filing Dt: 05/26/2009	
12	Publication # : <u>US20100258355</u>	Pub Dt: 10/14/2010			
Title: Self Positioning Cutter And Pocket					
13	Patent #: NONE	Issue Dt:	Application #: 12541591	Filing Dt: 08/14/2009	

Publication #: <u>US20100051349</u> Pub Dt: 03/04/2010

Title: FORCE BALANCED ASYMMETRIC DRILLING REAMER

Application #: 12555947 Filing Dt: 09/09/2009 Patent #: NONE Issue Dt:

Publication #: <u>US20100075122</u> Pub Dt: 03/25/2010 14

Title: High Energy Treatment Of Cutter Substrates Having A Wear Resistant Layer

Patent #: NONE Issue Dt: Application #: 12636506 Filing Dt: 12/11/2009

15 Publication #: US20100155151 Pub Dt: 06/24/2010

Title: MULTI-SET PDC DRILL BIT AND METHOD

Patent #: NONE Application #: 12708003 Filing Dt: 02/18/2010 Issue Dt:

Publication #: <u>US20100139988</u> Pub Dt: 06/10/2010

Title: DRILL BIT SUPPORTING MULTIPLE CUTTING ELEMENTS WITH MULTIPLE CUTTER GEOMETRIES AND METHOD OF ASSEMBLY

Patent #: NONE Issue Dt: Application #: 12716208 Filing Dt: 03/02/2010

17 Publication #: <u>US20100243336</u> Pub Dt: 09/30/2010

Title: BACKFILLED POLYCRYSTALLINE DIAMOND CUTTER WITH HIGH THERMAL CONDUCTIVITY

Patent #: NONE Issue Dt: Application #: 12716251 Filing Dt: 03/02/2010

18 Publication #: US20100243335 Pub Dt: 09/30/2010

Title: POLYCRYSTALLINE DIAMOND CUTTER WITH HIGH THERMAL CONDUCTIVITY

Patent #: NONE Application #: 12757959 Filing Dt: 04/09/2010 Issue Dt:

19 Publication #: US20100194057 Pub Dt: 08/05/2010

Title: ROCK BIT HAVING A SEAL GLAND WITH A CONICAL SEALING SURFACE

20. Title: Milling cap for a polycrystalline diamond compact cutter **Application #: 61182382**

21. Title: Whipstock attachment to a fixed cutter drilling or milling bit Application #: 61182442

22. Title: Casing bit and casing reamer designs Application #: 61184635

23. Title: Valve fitted drill bit for use with motors or turbines Application #: 61247433

24. Title: Texturing of the seal surface for a roller cone rock bit Application # PCT/US09/037029

25. Title: Texturing of the bearing surface for a roller cone rock bit Application # PCT/US09/037006

26. Title: Process for the production of a thermally stable polycrystalline diamond compact

Application # PCT/US09/060547

27. Title: Multi-set PDC drill bit and method Application # PCT/US09/068573

28. Title: Polycrystalline diamond cutter with high thermal conductivity Application # PCT/US10/028810

29. Title: Backfilled polycrystalline diamond cutter with high thermal Application # PCT/US10/028807

30. Title: Self positioning cutter and pocket Application # PCT/US10/029298

Filing Dt: 11/24/2008

Filing Dt: 01/12/2009

TRADEMARKS RECORDED AT REEL/FRAME 4227/0029

Reg #: 3731470

Reg #: 3793413

1 Mark: A FORCE Reg #: NONE Filing Dt: 11/24/2008 Serial #: 76694421 Reg. Dt: 2 Mark: TARGET

Serial #: 76695270

Serial #: 76694420

Serial #: 76700729 Filing Dt: 12/08/2009 Reg #: NONE Reg. Dt:

Mark: THOR

Mark: COMPASS

5 Serial #: 76700730 Filing Dt: 12/08/2009 Reg #: NONE Reg. Dt:

> TRADEMARK REEL: 004623 FRAME: 0537

Reg. Dt: 04/27/2010

Reg. Dt: 05/25/2010

Mark: VULCAN

Serial #: 77649562 Filing Dt: 01/14/2009 Reg #: 3854441 Reg. Dt: 09/28/2010

Mark: DIAMOND EDGE

TRADEMARK REEL: 004623 FRAME: 0538

RECORDED: 09/15/2011