

# TRADEMARK ASSIGNMENT

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Drillbit WCF Limited		09/26/2011	LIMITED LIABILITY COMPANY: CAYMAN ISLANDS
RECEIVING PARTY DATA			
Name:	Varel International Ind., L.P.		
Street Address:	1625 W. Crosby Road		
Internal Address:	Suite 124		
City:	Carrollton		
State/Country:	TEXAS		
Postal Code:	75006		
Entity Type:	LIMITED PARTNERSHIP: DELAWARE		
PROPERTY NUMBERS Total: 12			
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:	3696231	DEDICATED TO DRILL BITS	
Registration Number:	1540144	WALKER MCDONALD WM BITS	
Registration Number:	3781470	A FORCE	
Serial Number:	76694421	TARGET	
Serial Number:	76695270	COMPASS	
Serial Number:	76700730	VULCAN	
Serial Number:	76700729	THOR	
Serial Number:	77649562	DIAMOND EDGE	

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TRADEMARK  
 REEL: 004630 FRAME: 0925

**CORRESPONDENCE DATA**

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Correspondent Name: King &amp; Spalding LLP

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ATTORNEY DOCKET NUMBER:

05241-254084

NAME OF SUBMITTER:

Susan Shen-Frattura

Signature:

/Susan Shen-Frattura/

Date:

09/27/2011

Total Attachments: 10

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## RELEASE OF INTELLECTUAL PROPERTY SECURITY INTEREST

This **RELEASE OF INTELLECTUAL PROPERTY SECURITY INTEREST** (this "**Release**"), dated as of September 26, 2011, is made by Drillbit WCF Limited, a Cayman Islands exempted company with limited liability, ("**Funding Company**"), under the Murabaha Agreement referred to below (terms used in this Release and not herein defined shall have the meanings set forth in the Murabaha Agreement).

**WHEREAS**, Varel International Ind., L.P., a Delaware limited partnership ("**Grantor**"), Funding Company and other parties signatory thereto entered into that certain Commodity Purchase Facility Agreement, dated as of the date hereof (as amended, amended and restated, supplemented or otherwise modified from time to time, the "**Murabaha Agreement**");

**WHEREAS**, as a condition to Funding Company entering into the Murabaha Agreement, Grantor has executed and delivered that certain Second Lien Guarantee and Security Agreement dated as February 28, 2011 made by Grantor and the other Obligors (as defined in the Security Agreement (defined below)) to Funding Company (as amended, amended and restated, supplemented or otherwise modified from time to time, the "**Security Agreement**"); and

**WHEREAS**, under the terms of the Security Agreement, Grantor has granted a second lien security interest in, among other property, certain intellectual property of Grantor to Funding Company, and executed that Intellectual Property Security Agreement dated February 28, 2011, which is recorded with the United States Patent and Trademark Office on March 1, 2011 at Reel 025877, Frame 0447, and also on March 1, 2011 at Reel 004488, Frame 0086 (the "**IP Security Agreement**"), Grantor granted security interests in certain intellectual property rights owned by Grantor (the "**IP Collateral**"), including those patents and patent applications set forth in Schedule A hereto, the trademark and service mark registrations and applications set forth in Schedule B hereto, and the copyrights set forth in Schedule C hereto; and

**WHEREAS**, on August 30, 2011, all of the outstanding Obligations under the Murabaha Agreement (including, without limitation, all principal, accrued and unpaid interest, fees and expenses) were repaid in full and the Funding Company wishes to release the security interest granted in the IP Security Agreement in the IP Collateral;

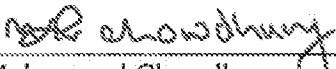
**NOW THEREFORE**, in consideration of the repayment in full of the outstanding Obligations under the Murabaha Agreement on August 30, 2011 and for other good and valuable consideration, the receipt of which is hereby acknowledged, Funding Company hereby **RELEASES** August 30, 2011 all of the security interests granted to Funding Company under the Security Agreement and the IP Security Agreement.

Funding Company agrees, at Grantor's expense, to cooperate with Grantor and to provide Grantor with the information and additional authorization reasonably required or desirable to effect the release of Funding Company's security interest in the released collateral described herein.

This Release and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, Funding Company has executed this Release as of the date first above written.

**DRILLBIT WCF LIMITED**

By:   
Name: Mohammed Chowdhury  
Title: Director

## Schedule A

### LIST OF PATENTS AND PATENT APPLICATIONS

Country	Title	Application No. / Registration No.	Filing Date / Grant Date	Expiration Date	Entity Name
United States	Bearing seal	6837317	01/04/2005	02/27/2023	Varel International Ind., L.P.
United States	Bearing seal	7000712	02/21/2006	11/13/2022	Varel International Ind., L.P.
United States	Breakable washer earth boring bit	6892832	05/17/2005	11/13/2022	Varel International Ind., L.P.
United States	Drag-type casing mill/drill bit	6568492	05/27/2003	04/19/2021	Varel International Ind., L.P.
United States	Drill out bi-center bit and method for using same	6926099	08/09/2005	05/10/2023	Varel International Ind., L.P.
United States	High-energy cascading of abrasive wear components	7258833	08/21/2007	12/25/2024	Varel International Ind., L.P.
United States	Low-contact area cutting element	6904983	06/14/2005	02/23/2023	Varel International Ind., L.P.
United States	Rock bit with improved thrust face	5944125	08/31/1999	06/19/2017	Varel International Ind., L.P.
United States	Rotary cone bit for cutting removal	6450270	09/17/2002	09/25/2020	Varel International Ind., L.P.
Sweden	Improved rotary cone bit for cutting removal	3365.4	06/22/04	09/21/2020	Varel International, Inc.
United States	Spiral wave bladed drag bit	6834733	12/28/2004	10/08/2022	Varel International Ind., L.P.
United States	Superabrasive cutting element	6488106	12/03/2002	03/01/2021	Varel International Ind., L.P.
United States	Conical sealing surface	7721827	05/25/2010	6/27/2028	Varel International Ind., L.P.
United States	PDC cutter for high compressive strength and highly abrasive formations	11/643718	12/20/2006		Varel International Ind., L.P.
United States	Drill bit with multiple cutter geometries	7677333	03/16/2010	10/30/2026	Varel International Ind., L.P.
United States	Method of manufacturing earth boring tool	12/180276	07/25/2008		Varel International Ind., L.P.
United States	Process for the production of an element comprising at least one block of dense material constituted by hard particles dispersed in a binder phase: application to cutting or drilling tools	12/056595	03/27/2008		Varel International Ind., L.P.

Country	Title	Application No. / Registration No.	Filing Date / Grant Date	Expiration Date	Entity Name
United States	Auto adaptable cutting structure	12/171070	07/10/2008		Varel International Ind., L.P.
United States	Process for the production of a thermally stable polycrystalline diamond compact	12/252145	10/15/2008		Varel International Ind., L.P.
United States	Rock bit with a seal thermal insulating seal ring positioned in the seal gland	12/252252	10/15/2008		Varel International Ind., L.P.
United States	Impregnated rotary bit	12/326757	12/02/2008		Varel International Ind., L.P.
United States	Texturing of the seal surface for a roller cone rock bit	12/399171	03/06/2009		Varel International Ind., L.P.
United States	Texturing of the bearing surface for a roller cone rock bit	12/398730	03/05/2009		Varel International Ind., L.P.
United States	Casing bit and casing reamer designs	61/84635	06/05/2009		Varel International Ind., L.P.
United States	Multi set PDC drill bit and method	12/636506	12/17/2009		Varel International L.P.
United States	Drill bit with multiple cutter geometries	12/708003	02/18/2010		Varel International Ind., L.P.
United States	Polycrystalline diamond cutter with high thermal conductivity	12/716251	03/02/2010		Varel International Ind., L.P.
United States	Backfilled polycrystalline diamond cutter with high thermal conductivity	12/716208	03/02/2010		Varel International Ind., L.P.
United States	Rock bit having a seal gland with a conical sealing surface	12/757959	04/09/2010		Varel International Ind., L.P.
United States	Method To Determine Rock Properties From Drilling Logs	12/359,065	01/23/2009		Varel International Ind., L.P.
United States	Sectorial Force Balancing Of Drill Bits	12/399,478	03/06/2009		Varel International Ind., L.P.
United States	Self Positioning Cutter And Pocket	12/472,003	05/26/2009		Varel International Ind., L.P.

Country	Title	Application No. / Registration No.	Filing Date / Grant Date	Expiration Date	Entity Name
United States	High Energy Treatment Of Cutter Substrates Having A Wear Resistant Layer	12/555,947	09/09/2009		Varel International Ind., L.P.
United States	Force Balanced Asymmetric Drilling Reamer	12/541,591	08/14/2009		Varel International Ind., L.P.
United States	Valve Fitted Drill Bit For Use With Motors Or Turbines	61/247,433	09/30/2009		Varel International Ind., L.P.
United States	Auto Adaptable Cutting Structure	12/794,640	06/04/2010		Varel International Ind., L.P.
Australia	High-energy cascading of abrasive wear components	2004271209	09/09/2004		Varel International Ind., L.P.
Canada	High-energy cascading of abrasive wear components	2555589	09/09/2004		Varel International Ind., L.P.
Canada	Method To Determine Rock Properties From Drilling Logs	2,653,115	02/06/2009		Varel International L.P.
PCT	Texturing of the seal surface for a roller cone rock bit	PCT/US2009/037029	03/12/2009		Varel International Ind., L.P.
PCT	Texturing of the bearing surface for a roller cone rock bit	PCT/US2009/37006	03/12/2009		Varel International Ind., L.P.
PCT	Process for the production of a thermally stable polycrystal line diamond compact	PCT/US09/060547	10/13/2009		Varel International Ind., L.P.
PCT	Multiset PDC	PCT/US09/068573	12/17/2009		Varel International Ind., L.P.
PCT	Polycrystal line diamond cutter with high thermal conductivity	PCT/US10/028810	03/26/2010		Varel International Ind., L.P.
PCT	Backfilled polycrystal line diamond cutter with high thermal conductivity	PCT/US10/028807	03/26/2010		Varel International Ind., L.P.

Country	Title	Application No. / Registration No.	Filing Date / Grant Date	Expiration Date	Entity Name
PCT	Self Positioning Cutter and Pocket	PCT/US2010/0292 98	03/31/2010		Varel International Ind., L.P.
South Africa	High-energy cascading of abrasive wear components	200602914	09/09/2004	09/09/2024	Varel Acquisition, Ltd.*
European Community	High-energy cascading of abrasive wear components	1709211A1	09/09/2004		Varel International Ind., L.P.

\* Entity name provided by Varel. Application has not been published to the public thus not able to verify.

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\* In process of being assigned to Varel International Ind., L.P.







## Schedule B

### LIST OF TRADE NAMES, TRADEMARKS, SERVICE MARKS, TRADEMARK AND SERVICE MARK REGISTRATIONS AND APPLICATIONS FOR TRADEMARK AND SERVICE MARK REGISTRATIONS

Country	Mark	Application No. / Registration No.	Filing Date / Grant Date	Renewal	Entity Name
United States	CHALLENGER	Reg. 2,716,371	(F) 05/29/2001 (G) 05/13/2003	05/13/2013	Varel International Ind., L.P.
United States	RIDGEBACK	Reg. 3,247,874	(F) 08/07/2001 (G) 05/29/2007	Sec. 8 & 15 due 05/29/2013 (R) 05/29/2017	Varel International Ind., L.P.
United States	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	Reg. 3555681	(F) 06/14/2007 (G) 01/06/2009	Sec. 8 & 15 due 01/06/2015 (R) 01/06/2019	Varel International Ind., L.P.
United States	VAREL	Reg. 1,511,551	(F) 04/27/1988 (G) 11/08/1988 (renewed on 11/08/2008)	11/08/2018	Varel International Ind., L.P.
United States	DEDICATED TO DRILL BITS	Reg. 3696231	(F) 08/07/2007 (G) 10/13/2009	Sec. 8 & 15 due 10/13/2015 (R) 10/13/2019	Varel International Ind., L.P.
United States	WALKER McDONALD (& DESIGN)	Reg. 1,540,144	(F) 09/15/1988 (G) 05/23/1989 (renewed on 05/23/2009)	05/23/2019	Varel International Ind., L.P.
United States	A FORCE	Reg. 3781470	(F) 11/24/2008 (G) 04/27/2010	04/27/2016	Varel International Ind., L.P.
United States	TARGET	Ser. 76/694421	(F) 11/24/2008	Pending	Varel International Ind., L.P.
United States	COMPASS	Ser. 76/695270	(F) 01/12/2009	Pending	Varel International Ind., L.P.
United States	VULCAN	Ser. 76/700730	(F) 12/08/2009	Pending	Varel International Ind., L.P.
United States	THOR	Ser. 76/700729	(F) 12/08/2009	Pending	Varel International Ind., L.P.

Country	Mark	Application No. / Registration No.	Filing Date / Grant Date	Renewal	Entity Name
United States	DIAMOND EDGE	Ser. 77/649562	(F) 11/10/2009	Pending	Varel International Ind., L.P.
France	VAREL	1480288	(F) 07/27/1988	07/27/2008	Varel International Ind., L.P.
Italy	VAREL	844259 RM/2008/4486	(F) 08/13/1998 (G) 04/24/2001 [(F) 07/22/2008]	08/16/2018	Varel International Ind., L.P.
Mexico	VAREL	364265	(F) 08/17/1988	08/17/2013	Varel International Ind., L.P.
Venezuela	VAREL	169729	(F) 03/25/1992	10/07/2014	Varel International Ind., L.P.
France	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	07 3 519 749	(F) 08/14/2007 (G) 01/18/2008	06/30/2017	Varel International Ind., L.P.
Australia	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	1191672	(F) 08/08/2007 (G) 01/29/2008	08/08/2017	Varel International Ind., L.P.
Saudi Arabia	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	120472 1007/79 (Registration Number)	(F) 08/08/2007 (G) 08/29/2008	04/08/2017	Varel International Ind., L.P.
Canada	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	TMA750359	(F) 09/13/2007 (G) 10/15/2009	10/15/2024	Varel International Ind., L.P.

Country	Mark	Application No. / Registration No.	Filing Date / Grant Date	Renewal	Entity Name
Mexico	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	1028216	(F) 08/18/2007 (G) 02/29/2008	08/18/2017	Varel International Ind., L.P.
United Kingdom	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	2463704	(F) 08/09/2007 (G) 02/29/2008	01/09/2018	Varel International Ind., L.P.
Chile	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	814.904	(F) 10/11/2007 (G) 04/24/2008	04/24/2018	Varel International Ind., L.P.
Russian Federation	VAREL INTERNATIONAL (& Design)  VAREL INTERNATIONAL	362498	(F) 08/14/2007 (G) 10/20/2008	08/14/2017	Varel International Ind., L.P.
Australia	DEDICATED TO DRILL BITS	1200434	(F) 09/24/2007 (G) 03/17/2008	09/24/2017	Varel International Ind., L.P.
United Kingdom	VAREL DEDICATED TO DRILL BITS	2474412	(F) 12/07/2007 (G) 05/02/2008	01/07/2017	Varel International Ind., L.P.

**Schedule C**

**NONE.**