

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Francis' Drilling Fluids, LTD.		05/04/2012	CORPORATION: LOUISIANA
FDF Resources Holdings LLC		05/04/2012	LIMITED LIABILITY COMPANY: DELAWARE

RECEIVING PARTY DATA

Name:	Gladstone Capital Corporation
Street Address:	1521 Westbranch Drive
Internal Address:	Suite 200
City:	McLean
State/Country:	VIRGINIA
Postal Code:	22102
Entity Type:	CORPORATION: MARYLAND

PROPERTY NUMBERS Total: 10

Property Type	Number	Word Mark
Serial Number:	78966226	FRANCIS DRILLING FLUIDS
Serial Number:	78966234	FRANCIS DRILLING FLUIDS
Serial Number:	78966236	FRANCIS DRILLING FLUIDS
Serial Number:	78966274	FRANCIS DRILLING FLUIDS
Serial Number:	78966277	FRANCIS DRILLING FLUIDS
Serial Number:	78966281	FDF
Serial Number:	78966282	FDF
Serial Number:	78966287	FDF
Serial Number:	78966288	FDF
Serial Number:	78966292	FDF

CORRESPONDENCE DATA

OP \$265.00 78966226

Fax Number: 2027995144

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

Phone: 2027994000

Email: dctrademarks@dlapiper.com

Correspondent Name: Ryan C. Compton

Address Line 1: 500 Eighth Street, NW

Address Line 4: Washington, DISTRICT OF COLUMBIA 20004

ATTORNEY DOCKET NUMBER:	370156-000023
NAME OF SUBMITTER:	Ryan C. Compton
Signature:	/Ryan C. Compton/
Date:	05/08/2012

Total Attachments: 11

source=FrancisDrillingSecAgmt#page1.tif
source=FrancisDrillingSecAgmt#page2.tif
source=FrancisDrillingSecAgmt#page3.tif
source=FrancisDrillingSecAgmt#page4.tif
source=FrancisDrillingSecAgmt#page5.tif
source=FrancisDrillingSecAgmt#page6.tif
source=FrancisDrillingSecAgmt#page7.tif
source=FrancisDrillingSecAgmt#page8.tif
source=FrancisDrillingSecAgmt#page9.tif
source=FrancisDrillingSecAgmt#page10.tif
source=FrancisDrillingSecAgmt#page11.tif

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, the “IP Security Agreement”) dated as of May 4, 2012, is made by the Persons listed on the signature page hereof (individually, each a “Grantor” and collectively, jointly and severally, the “Grantors”) in favor of GLADSTONE CAPITAL CORPORATION, a Maryland corporation (collectively with its successors and assigns, the “Lender”), as party to the Loan Agreement referred to below.

WHEREAS, the Lender, FRANCIS’ DRILLING FLUIDS, LTD., a corporation incorporated under the laws of the State of Louisiana (“Francis Drilling”) and FDF RESOURCES HOLDINGS LLC, a limited liability company formed under the laws of the State of Delaware (together with Francis Drilling, individually, each a “Borrower” and collectively, jointly and severally, the “Borrowers”), have entered into a Loan Agreement, dated as of May 4, 2012 (as amended, restated, extended, joined, supplemented or otherwise modified from time to time, the “Loan Agreement”; capitalized terms used but not defined herein shall have the meanings specified in the Loan Agreement);

WHEREAS, under the terms of the Loan Agreement each Grantor has granted to the Lender, for the benefit of the Lender, a security interest in, among other property, all Intellectual Property of such Grantor, and has agreed as a condition thereof to execute this IP Security Agreement for recording with the United States Patent and Trademark Office, the United States Copyright Office and other Governmental Authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

SECTION 1. **Definitions.** The following terms have the meanings set forth below:

(a) “Copyrights” means all of the following now owned or hereafter adopted or acquired by any Grantor: (i) all copyrights (whether statutory or common law, whether established or registered in the United States or any other country or political subdivision thereof, whether registered or unregistered and whether published or unpublished), rights and interests in copyrights, works protectable by copyright, and General Intangibles of like nature, all registrations and recordings thereof, and all applications in connection therewith, including all registrations, recordings, and applications in the United States Copyright Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof and all research and development relating to the foregoing, (ii) all reissues, extensions, continuations, and renewals thereof and amendments thereto, (iii) income, fees, royalties, damages, claims, and payments now or hereafter due and/or payable with respect thereto, including damages and payments for past, present and future infringements thereof, (iv) rights corresponding thereto throughout the world and (v) rights to sue for past, present, and future infringements thereof.

(b) “Copyright License” means any and all rights now owned or hereafter acquired by any Grantor under any written or oral agreement granting any right to use any Copyright or Copyright registration, in each case to the extent assignable by such Grantor.

(c) “Patents” shall mean one or all of the following now or hereafter owned by any Grantor or in which any Grantor now has or hereafter acquires any rights: (i) all letters patent of the United States or any other country, all registrations, and recordings thereof, and all applications for letters patent of the United States or any other country, (ii) all reissues, continuations, continuations-in-part, divisions, reexaminations, or extensions of any of the foregoing and (iii) all inventions disclosed in and claimed in the Patents and any and all trade secrets and know-how related thereto.

(d) “Patent License” shall mean all of the following now owned or hereafter acquired by any Grantor or in which any Grantor now has or hereafter acquires any rights: to the extent assignable by a Grantor, any written agreement granting any right to make, use, sell, and/or practice any invention or discovery that is the subject matter of a Patent, in each case to the extent assignable by such Grantor.

(e) “Trademarks” shall mean one or all of the following now owned or hereafter acquired by any Grantor or in which any Grantor now has or hereafter acquires any rights: (i) all trademarks (whether registered or unregistered), trade names, corporate names, business names, trade styles, service marks, logos, other source or business identifiers, prints, and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings, and applications in the United States Patent and Trademark Office or in any similar office or agency of any State of the United States or any other country or any political subdivision thereof, (ii) all reissues, extensions, or renewals thereof and (iii) the goodwill associated with or symbolized by any of the foregoing.

(f) “Trademark License” shall mean all of the following now owned or hereafter acquired by any Grantor or in which any Grantor now has or hereafter acquires any rights: any written agreement granting any right to use any Trademark or Trademark registration, in each case to the extent assignable by such Grantor.

SECTION 2. Grant of Security. Each Grantor hereby grants to the Lender, for the benefit of the Lender, a security interest in all of such Grantor’s right, title, and interest in and to the following (the “Collateral”):

(i) all of its Patents and all Patent Licenses to which it is a party, including, but not limited to, those set forth on Schedule A hereto;

(ii) all of its Trademarks and all Trademark Licenses to which it is a party, including, but not limited to, those set forth on Schedule B hereto, together with all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License;

(iii) all of its Copyrights and all Copyright Licenses to which it is a party, including, but not limited to, those set forth on Schedule C hereto;

(iv) all reissues, divisions, continuations, continuations-in-part, extensions, renewals, and reexaminations of any of the foregoing, all rights in the foregoing provided by international treaties or conventions, all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto;

(v) any and all claims for damages and injunctive relief for past, present, and future infringement, dilution, misappropriation, violation, misuse, breach, or injury with respect to any of the foregoing, with the right, but not the obligation, to sue for and collect, or otherwise recover, such damages; and

(vi) any and all products and proceeds of, collateral for, income, royalties, and other payments now or hereafter due and payable with respect to, and supporting obligations relating to, any and all of the Collateral of or arising from any of the foregoing.

SECTION 3. Security for Obligations. The grant of a security interest in the Collateral by each Grantor under this IP Security Agreement secures the prompt and complete payment and performance when due of all of the Obligations, whether direct or indirect, now existing or hereafter arising, absolute or contingent, and whether for principal, reimbursement obligations, interest, premiums, penalties, fees, guarantee obligations, indemnifications, contract causes of action, costs, expenses, or otherwise.

SECTION 4. Recordation. Each Grantor authorizes and requests that the Register of Copyrights, the Commissioner for Patents, the Commissioner for Trademarks and any other applicable Governmental Body record this IP Security Agreement.

SECTION 5. Execution in Counterparts. This IP Security Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 6. Grants, Rights and Remedies. This IP Security Agreement has been entered into in conjunction with the provisions of the Loan Agreement. Each Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Lender with respect to the Collateral are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein.

SECTION 7. Governing Law. This IP Security Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia applied to contracts to be performed wholly within the Commonwealth of Virginia without regard to principles of conflicts of laws thereof.

SECTION 8. Intercreditor and Subordination Agreement. Notwithstanding any provisions to the contrary, to the extent the Intercreditor and Subordination Agreement remains

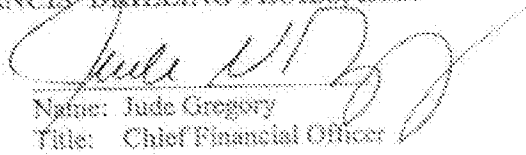
in effect, the rights and remedies granted to the Lender, and the obligations of the Grantors contained herein and in the Loan Documents are subject to the terms and provisions thereof, solely for the benefit of the Senior Lenders, all in the manner and to the extent set forth in the Intercreditor and Subordination Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURE PAGES FOLLOW.]

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

GRANTORS:

FRANCIS DRILLING FLUIDS, LTD.

By: 
Name: Jude Gregory
Title: Chief Financial Officer

FDF RESOURCES HOLDINGS LLC

By: _____
Name: Ross Catlin
Title: Manager

[[SIGNATURE PAGE TO IP SECURITY AGREEMENT]]

TRADEMARK

REEL: 004775 FRAME: 0626

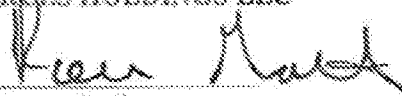
IN WITNESS WHEREOF, each Grantor has caused this IP Security Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

GRANTORS:

FRANCIS' DRILLING FLUIDS, LTD.

By: _____
Name: Jude Gregory
Title: Chief Financial Officer

FDF RESOURCES HOLDINGS LLC

By: 
Name: Ross Gatlin
Title: Manager

[SIGNATURE PAGE TO IP SECURITY AGREEMENT]

ACKNOWLEDGMENT

STATE OF Louisiana

SS

COUNTY OF Lafayette

Before me, the undersigned, a Notary Public, on this 3rd day of May, 2012, personally appeared Jude Gregory, to me known personally, who, being by me duly sworn, did say that he is the Chief Financial Officer of Francis' Drilling Fluids, Ltd., a Grantor, and that said Intellectual Property Security Agreement was signed on behalf of such Grantor, by authority of its board of directors or analogous body, and the said Jude Gregory acknowledged said instrument to be his free act and deed.

Notary Public
My Commission Expires:

(SEAL)

J. Todd Kindler



J. Todd Kindler
Attorney At Law
Bar Roll No. 33218
Notary Public State of Louisiana
My Commission is issued for life

{IP SECURITY AGREEMENT-ACKNOWLEDGMENT}

TRADEMARK

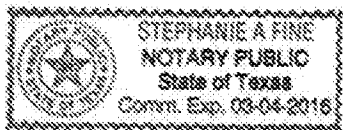
REEL: 004775 FRAME: 0628

ACKNOWLEDGMENT

STATE OF TEXAS :
 :
COUNTY OF TARRANT : SS
 :

Before me, the undersigned, a Notary Public, on this 26 day of NOV, 2012, personally appeared Ross Gatlin, to me known personally, who, being by me duly sworn, did say that he is the Manager of FDF Resources Holdings LLC, a Grantor, and that said Intellectual Property Security Agreement was signed on behalf of such Grantor, by authority of its board of directors or analogous body, and the said ROSS GATLIN acknowledged said instrument to be his free act and deed.

(SEAL)



Notary Public
My Commission Expires: 03-04-2016

Stephanie A. Fine

[IF SECURITY AGREEMENT-ACKNOWLEDGMENT]

SCHEDULE A

PATENTS AND PATENT LICENSES

None

SCHEDULE B

TRADEMARKS AND TRADEMARK LICENSES

TRADEMARK	NUMBER	DATE	JURISDICTION OF REGISTRATION
Francis Drilling Fluids	3,346,323	11/27/07	United States
Francis Drilling Fluids	3,346,324	11/27/07	United States
Francis Drilling Fluids	3,346,325	11/27/07	United States
Francis Drilling Fluids	3,370,910	01/15/08	United States
Francis Drilling Fluids	3,346,326	11/27/07	United States
FDF	3,337,446	11/13/07	United States
FDF	3,332,863	11/06/07	United States
FDF	3,332,864	11/06/07	United States
FDF	3,332,865	11/06/07	United States
FDF	3,332,866	11/06/07	United States
FDF	58-9345	11/23/05	Louisiana

SCHEDULE C

COPYRIGHTS AND COPYRIGHT LICENSES

COPYRIGHT	NUMBER	PUBLICATION YEAR	JURISDICTION OF REGISTRATION
None			