

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Security Agreement

CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Forestar Petroleum Corporation	FORMERLY Credo Petroleum Corporation	09/28/2012	CORPORATION: DELAWARE

RECEIVING PARTY DATA	
Name:	Keybank National Association
Street Address:	1200 Abernathy Road, N.E.
Internal Address:	Suite 1550
City:	Atlanta
State/Country:	GEORGIA
Postal Code:	30328
Entity Type:	National Chartered Bank: GEORGIA

PROPERTY NUMBERS Total: 2		
Property Type	Number	Word Mark
Serial Number:	85434479	CALLIOPE
Registration Number:	2494681	CALLIOPE

CORRESPONDENCE DATA	
Fax Number:	4044200805
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	404-572-6818
Email:	trademarks@pogolaw.com
Correspondent Name:	Nathan Hightower/Bryan Cave LLP
Address Line 1:	1201 W. Peachtree Street, NW, 14th Fl.
Address Line 4:	Atlanta, GEORGIA 30309-3488

ATTORNEY DOCKET NUMBER:	148629.0341026
NAME OF SUBMITTER:	Nathan Hightower

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Signature:	/Nathan Hightower/
Date:	10/03/2012
Total Attachments: 9 source=Security Agreement 0341026#page1.tif source=Security Agreement 0341026#page2.tif source=Security Agreement 0341026#page3.tif source=Security Agreement 0341026#page4.tif source=Security Agreement 0341026#page5.tif source=Security Agreement 0341026#page6.tif source=Security Agreement 0341026#page7.tif source=Security Agreement 0341026#page8.tif source=Security Agreement 0341026#page9.tif	

PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT dated as of September 28th, 2012 (this "Agreement"), among **FORESTAR PETROLEUM CORPORATION**, a Delaware corporation (the "Grantor"), and **KEYBANK NATIONAL ASSOCIATION**, as administrative agent (in such capacity, the "Administrative Agent").

Reference is made to (a) the Second Amended and Restated Revolving and Term Credit Agreement, dated as of September 14, 2012 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Forestar (USA) Real Estate Group Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto, the Guarantors party thereto and the Administrative Agent, and (b) the Patent, Trademark and License Agreement, dated as of even date herewith (as amended, supplemented or otherwise modified from time to time, the "Security Agreement"), by the Grantor in favor of the Administrative Agent.

The Lenders have agreed to extend credit to the Borrower subject to the terms and conditions set forth in the Credit Agreement, the Guarantors (including the Grantor) guaranteed the Obligations of the Borrower pursuant to the Credit Agreement and the Grantor, as a Guarantor, is securing its Guaranteed Obligations pursuant to the Security Agreement. The obligations of the Lenders to continue to extend such credit are conditioned upon, among other things, the execution and delivery of this Agreement. The Grantor is a subsidiary of the Borrower and will derive substantial benefits from the extension of credit to the Borrower pursuant to the Credit Agreement and is willing to execute and deliver the Security Agreement and this Agreement in order to induce the Lenders to extend such credit. Accordingly, the parties hereto agree as follows:

1. Terms. Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Security Agreement or the Credit Agreement. The rules of interpretation specified in Section 1.2 of the Credit Agreement shall be applicable to this Agreement.

2. Grant of Security Interest. As security for the payment or performance, as applicable, in full of the Guaranteed Obligations, the Grantor, pursuant to the Security Agreement, did and hereby does bargain, sell, convey, assign, set over, mortgage, pledge, hypothecate and transfer to the Administrative Agent (and its successors and assigns), for the ratable benefit of the Lenders, and hereby grants to the Administrative Agent (and its successors and assigns), for the ratable benefit of the Lenders, a security interest in, all right, title and interest in or to any and all of the following assets and properties now owned or at any time hereafter acquired by the Grantor or in which the Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Patent Collateral"):

(a) all patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, each patent and patent application listed on Schedule A attached hereto and incorporated herein by reference (as the same may be amended pursuant hereto from time to time) and (i) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (ii) all income, damages and payments now and/or hereafter due or payable under or with respect thereto, including, without limitation,

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license royalties, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof and (iv) all rights corresponding thereto throughout the world (all of the foregoing patents and patent applications together with the items described in clauses (i) through (iv) of this subsection (a) are hereinafter collectively referred to herein as the "Patents");

(b) all trademarks, service marks, trademark or service mark registrations, trade names, trade styles, trademark or service mark applications and brand names, including, without limitation, common law rights and each mark and application listed on Schedule B respectively, attached hereto and incorporated herein by reference; and (i) renewals or extensions thereof, (ii) all income, damages and payments now and/or hereafter due or payable with respect thereto, including, without limitation, license royalties, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, service marks and applications and registrations thereof together with the items described in clauses (i) through (iv) of this subsection (b) are hereinafter collectively referred to herein as the "Trademarks");

(c) the license(s) listed on Schedule C attached hereto and incorporated herein by reference and all other license agreements (to the extent such license agreements may be assigned without violating the terms of any such license agreement) with respect to any of the Patents or the Trademarks or any other patent, trademark, service mark or any application or registration thereof or any other trade name or trade style between Grantor and any other Person, whether Grantor is licensor or licensee (all of the foregoing license agreements and Grantor's rights thereunder are hereinafter collectively referred to as the "Licenses");

(d) the goodwill of Grantor's business connected with and symbolized by the Trademarks; and

(e) all proceeds, including, without limitation, proceeds that constitute property of the types described in (a), (b), (c) and (d) above and any rents and profits of any of the foregoing items, whether cash or noncash, immediate or remote, and insurance proceeds, and all products of (a), (b), (c) and (d) above, and any indemnities, warranties and guaranties payable by reason of loss or damage to or otherwise with respect to any of the foregoing items;

to secure the payment and performance of all of the Obligations; provided that in no event shall the Patent Collateral include any "intent-to-use" Trademarks until such time as Grantor begins to use such Trademarks and a statement of use is filed in connection therewith. The parties acknowledge that the foregoing is a grant of security interest and lien, and not an assignment or other transfer.

3. Security Agreement. The security interests granted to the Administrative Agent herein are granted in furtherance, and not in limitation of, the security interests granted to the Administrative Agent pursuant to the Security Agreement. The Grantor hereby acknowledges and affirms that the rights and remedies of the Administrative Agent with respect to the Patent Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein. In the event of any

conflict between the terms of this Agreement and the Security Agreement, the terms of the Security Agreement shall govern.


4. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

5. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

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IN WITNESS WHEREOF, the parties hereto have duly executed this Patent Security Agreement as of the day and year first above written.

FORESTAR PETROLEUM CORPORATION

By: 
Name: Christopher I. Nines
Title: Chief Financial Officer

[Execution continued on following page]

KEYBANK NATIONAL ASSOCIATION
as Administrative Agent

By: 
Name: NATHAN WEYER
Title: VICE PRESIDENT

SCHEDULE A

United States Patents

U.S. and Foreign Issued Patents and Pending Patent Applications

<u>Juris-</u> <u>dicition</u>	<u>Title</u>	<u>Patent No.</u> <u>(App. No.)</u>	<u>Issue Date</u> <u>(App. Date)</u>	<u>Record Owner</u>	<u>Status/</u> <u>Comments</u>
US	CALLIOPE OIL PRODUCTION SYSTEM	5,911,278	06/15/1999	Credo Petroleum Corporation	Issued
US	GAS RECOVERY APPARATUS, METHOD AND CYCLE HAVING A THREE CHAMBER EVACUATION PHASE FOR IMPROVED NATURAL GAS PRODUCTION AND DOWN-HOLE LIQUID MANAGEMENT	6,672,392	01/06/2004	Credo Petroleum Corporation	Issued
US	GAS RECOVERY APPARATUS, METHOD AND CYCLE HAVING A THREE CHAMBER EVACUATION PHASE AND TWO LIQUID EXTRACTION PHASES FOR IMPROVED NATURAL GAS PRODUCTION	7,100,695	09/05/2006	Credo Petroleum Corporation	Issued
US	METHOD AND APPARATUS USING TRACTION SEAL FLUID DISPLACEMENT DEVICE FOR PUMPING WELLS	7,080,690	07/25/2006	Credo Petroleum Corporation	Issued
US	METHOD AND APPARATUS FOR PUMPING WELLS WITH A SEALING FLUID DISPLACEMENT DEVICE	7,191,838	03/20/2007	Credo Petroleum Corporation	Issued
US	METHOD AND APPARATUS FOR ACCUMULATING LIQUID AND INITIATING UPWARD MOVEMENT WHEN PUMPING A WELL WITH A SEALED FLUID DISPLACEMENT DEVICE	7,328,749	02/12/2008	Credo Petroleum Corporation	Issued
CA	CALLIOPE OIL PRODUCTION SYSTEM	2,292,429	10/17/2006	Credo Petroleum Corporation	Issued
CA	GAS RECOVERY APPARATUS, METHOD AND CYCLE HAVING A THREE CHAMBER EVACUATION PHASE FOR IMPROVED NATURAL GAS PRODUCTION AND DOWN-HOLE LIQUID MANAGEMENT	2,376,701	08/21/2007	Credo Petroleum Corporation	Issued
CA	GAS RECOVERY APPARATUS, METHOD AND CYCLE HAVING A THREE CHAMBER EVACUATION PHASE AND TWO LIQUID EXTRACTION PHASES FOR IMPROVED NATURAL GAS PRODUCTION	2,485,035	04/10/2007	Credo Petroleum Corporation	Issued

Jurisdiction	Title	Patent No. (App. No.)	Issue Date (App. Date)	Record Owner	Status/ Comments
CA	METHOD AND APPARATUS USING TRACTION SEAL FLUID DISPLACEMENT DEVICE FOR PUMPING WELLS	2,467,875	07/03/2007	Credo Petroleum Corporation	Issued
CA	METHOD AND APPARATUS FOR PUMPING WELLS WITH A SEALING FLUID DISPLACEMENT DEVICE	2,583,629	04/28/2009	Credo Petroleum Corporation	Issued
CA	METHOD AND APPARATUS FOR ACCUMULATING LIQUID AND INITIATING UPWARD MOVEMENT WHEN PUMPING A WELL WITH A SEALED FLUID DISPLACEMENT DEVICE	2,583,636	11/18/2008	Credo Petroleum Corporation	Issued

SCHEDULE B

United States Trademarks

Jurisdiction	Trademark	Reg. No. (App No.)	Reg. Date (App. Date)	Record Owner	Status / Comments
United States	CALLIOPE	2,494,681	10/02/2001	Credo Petroleum Corporation	Registered
United States	CALLIOPE	85/434479	09/28/2011	Credo Petroleum Corporation	Pending

SCHEDULE C

Licenses

[None]