

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM310082

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Horizon Mud Co., Inc		06/30/2014	CORPORATION: TEXAS
Mud Masters Acquisition Corporation		06/30/2014	CORPORATION: TEXAS

RECEIVING PARTY DATA

Name:	Patriot Capital III SBIC, L.P.
Street Address:	509 S. Exeter Street, Suite 210
City:	Baltimore
State/Country:	MARYLAND
Postal Code:	21230
Entity Type:	LIMITED PARTNERSHIP: DELAWARE

PROPERTY NUMBERS Total: 26

Property Type	Number	Word Mark
Serial Number:	85358791	MASTER ENVIRO MUD
Serial Number:	85355427	MASTER FLUID SEAL
Serial Number:	85355417	MASTER CLEAR SPOT
Serial Number:	85575309	CLEARLY GREEN AND CLEAN AND CLEAR SOLUTI
Serial Number:	85366534	MASTER CLEAR SEAL-5
Serial Number:	85355355	MASTER FIBER SEAL
Serial Number:	85298044	MASTER CLEAR MISTING SYSTEM
Serial Number:	77904896	NON-DAMAGING RESERVOIR TECHNOLOGY
Serial Number:	77710958	NDRT
Serial Number:	77710986	NDRT NON-DAMAGING RESERVOIR TECHNOLOGY
Serial Number:	77703915	MASTER CLEAR SEAL
Serial Number:	77532503	MASTER CLEAR FLUID
Serial Number:	77226344	THE MUD MASTERS GROUP
Serial Number:	77410036	MASTER WATER SURF
Serial Number:	77408874	MASTER FINE BEADS
Serial Number:	77396094	MASTER GUMBO CONTROL
Serial Number:	77408891	MASTER COARSE BEADS
Serial Number:	77408884	MASTER BLACK SACK

TRADEMARK

Property Type	Number	Word Mark
Serial Number:	77395646	PROVEN PROFESSIONALS - PROVEN PRODUCTS -
Serial Number:	77354092	MASTER LUBE COAT
Serial Number:	77354057	MASTER BLACK BLEND
Serial Number:	77278130	MASTER SQUEEZE MIX
Serial Number:	77278077	MASTER GLOW BEADS
Serial Number:	77278053	MASTER SLIDE DRIL
Serial Number:	77277978	MASTER QUICK SPOT
Serial Number:	76692385	MUD MASTER

CORRESPONDENCE DATA

Fax Number: 2024576315
Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.
Phone: 2024576030
Email: karen.agee@squirepb.com
Correspondent Name: Deborah Lodge, Squire Patton Boggs LLP
Address Line 1: 2550 M Street, NW
Address Line 4: Washington, D.C. 20037

ATTORNEY DOCKET NUMBER:	030721.0104
NAME OF SUBMITTER:	Deborah M. Lodge
SIGNATURE:	/Deborah M. Lodge/
DATE SIGNED:	07/09/2014

Total Attachments: 13

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THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT AND THE RIGHTS AND OBLIGATIONS EVIDENCED HEREBY ARE SUBORDINATE IN THE MANNER AND TO THE EXTENT SET FORTH IN THAT CERTAIN SUBORDINATION AND INTERCREDITOR AGREEMENT OF EVEN DATE HERewith (THE "SUBORDINATION AGREEMENT") AMONG HORIZON MUD CO., INC., A TEXAS CORPORATION, MUD MASTERS GROUP, INC., A TEXAS CORPORATION, HORIZON MUD HOLDINGS CORPORATION, A TEXAS CORPORATION, PATRIOT CAPITAL III SBIC, L.P., A DELAWARE LIMITED PARTNERSHIP, PATRIOT CAPITAL III, L.P., A DELAWARE LIMITED PARTNERSHIP, AND PNC BANK, NATIONAL ASSOCIATION, AS AGENT FOR THE SENIOR LENDERS, TO THE INDEBTEDNESS (INCLUDING INTEREST) OWED PURSUANT TO THAT CERTAIN SENIOR CREDIT AGREEMENT (AS DESCRIBED IN THE PURCHASE AGREEMENT DEFINED BELOW) AND TO PERMITTED INDEBTEDNESS REFINANCING THE INDEBTEDNESS UNDER THAT AGREEMENT AS CONTEMPLATED BY THE SUBORDINATION AGREEMENT; AND EACH HOLDER OF THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, BY ITS ACCEPTANCE HEREOF, IRREVOCABLY AGREES TO BE BOUND BY THE PROVISIONS OF THE SUBORDINATION AGREEMENT.

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (as amended, amended and restated, joined, extended, supplemented or otherwise modified from time to time, this "IP Security Agreement") is made and effective as of June 30, 2014, by HORIZON MUD CO., INC. a Texas corporation ("Horizon") and MUD MASTERS ACQUISITION CORPORATION, a Texas corporation, to be renamed and known as MUD MASTERS GROUP, INC. immediately after the effectiveness hereof ("Mud" and together with Horizon, "Debtor"), in favor of PATRIOT CAPITAL III SBIC, L.P., a Delaware limited partnership ("Patriot"), as agent for itself and the other Purchaser (in such capacity, together with its successors and assigns, "Secured Party"), whose address is 509 S. Exeter Street, Suite 210, Baltimore, MD 21230. Capitalized terms used in this IP Security Agreement and not otherwise defined shall have the respective meanings ascribed to such terms in the Purchase Agreement (defined below).

RECITALS

WHEREAS, pursuant to that certain Note Purchase Agreement, dated as of the date hereof, by and among the Debtor and the Secured Party (as amended, supplemented or otherwise modified from time to time, the "Purchase Agreement"), the Secured Party has agreed, subject to the terms and conditions set forth therein, to make certain loans to Debtor; and

WHEREAS, it is a condition precedent to the obligation of the Secured Party to execute and perform under the Purchase Agreement that the Debtor shall have executed and delivered this IP Security Agreement to Secured Party;

NOW, THEREFORE, in consideration of the willingness of Secured Party to enter into the Purchase Agreement and to agree, subject to the terms and conditions set forth therein, to make the loans to Debtor pursuant thereto, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

1. Grant of Security Interest. To secure all of the Obligations under the Purchase Agreement, the Debtor hereby grants to the Secured Party a continuing security interest in all of the right, title and interest of the Debtor in and to any and all of the following collateral, whether now owned or hereafter acquired, but excluding any intellectual property for which the granting of a security interest therein would terminate, invalidate, void, cancel, degrade or abandon such intellectual property (the "IP Collateral");

(a) The U.S and foreign copyrights, associated copyright registrations and applications for copyright registration, set forth on Schedule A attached hereto (collectively, the "Copyrights");

(b) The U.S. and foreign patents and patent applications set forth on Schedule B attached hereto, including, without limitation, divisions, continuations, reissues, extensions and continuations-in-part of the same (collectively, the "Patents");

(c) The U.S., state and foreign trademark and service mark registrations, and trademark and service mark applications, set forth on Schedule C attached hereto, including, without limitation, all common-law rights related to, and goodwill of the business associated with the foregoing (collectively, the "Trademarks");

(d) The domain names and domain name applications and all goodwill associated with the foregoing, including, but not limited to, those set forth on Schedule D attached hereto (collectively, the "Domain Names");

(e) Any and all claims and causes of action for past, present or future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect damages for infringement of the foregoing;

(f) Any and all licenses or rights granted under any of the foregoing, and all license fees and royalties arising from such licenses or rights, in each case to the extent permitted by such licenses or rights;

(g) Any and all amendments, renewals, extensions, reissuances and replacements of any of the foregoing; and

(h) Any and all products and proceeds of any of the foregoing.

2. Requested Recordation. The Debtor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks (and any state, foreign or other authority to which this IP Security Agreement is submitted) file and record this IP Security Agreement (and any corresponding or separate forms of such jurisdiction) in order to publicly reflect the interests of Secured Party in the IP Collateral.

3. Assignment. Upon the occurrence and during the continuance of an Event of Default, the Debtor shall, upon request, execute and deliver to the Secured Party an absolute assignment transferring its entire right, title, and interest in and to the IP Collateral to the Secured Party.

4. After-Acquired IP Collateral. If, prior to the termination of the security interests granted herein pursuant to the terms hereof, the Debtor shall obtain any right, title or interest in or to any other or new Copyrights, Patents or Trademarks, or become entitled to the benefit of any other or new Copyrights, Patents or Trademarks, the provisions of this IP Security Agreement shall automatically apply thereto and the Debtor shall give notice thereof in writing to the Secured Party within thirty (30) days of the end of the applicable calendar month during the term of this IP Security agreement during which such IP Collateral was initiated or obtained and execute and deliver to the Secured Party such documents or instruments as the Secured Party may reasonably request further to implement, preserve or evidence the Secured Party's interest therein.

5. Power of Attorney. The Debtor hereby irrevocably grants to the Secured Party a power of attorney, to act as the Debtor's attorney-in-fact, with full authority in the name, place and stead of the Debtor, from time to time in the Secured Party's discretion, to take any action and to execute any instrument that the Secured Party may reasonably deem necessary or advisable to accomplish the purposes of this IP Security Agreement. This authority includes, without limitation, the following:

(a) To modify or amend (in the sole discretion of the Secured Party without first obtaining the Debtor's approval thereof or signature thereto), but after providing notice to the Debtor, Schedule A, Schedule B, Schedule C, and/or Schedule D hereof, as appropriate, to include references to any registered intellectual property (or application or license therefor) acquired by the Debtor after the execution hereof or to delete any reference to any IP Collateral in which the Debtor no longer has or claims any right, title or interest;

(b) To take any action reasonably necessary or advisable to perfect, maintain, or continue the Secured Party's interest in the IP Collateral, including, without limitation, executing and filing any financing statement, any continuation statement or any amendment thereto;

(c) To execute, file and pursue (in the sole discretion of the Secured Party without first obtaining the Debtor's approval thereof or signature thereto, unless otherwise prohibited by applicable law) any application, form or other document in order to perfect, maintain, continue or otherwise protect the Secured Party's interest or the Debtor's rights in the IP Collateral, including, without limitation, executing and filing (i) any financing statement, any continuation statement or any amendment thereto, and (ii) any document in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or the relevant office of any state or foreign jurisdiction (including, without limitation, the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings) and to pay any fees and taxes in connection therewith or otherwise; provided, however, unless an Event of Default has occurred and is continuing, the Secured Party will not take any actions which result in an assignment or transfer of title of such IP Collateral to the Secured Party. Notwithstanding the foregoing, unless an Event of Default has occurred and is continuing, the Secured Party shall not undertake prosecution of any pending patent application listed in Schedule B before the United

States Patent and Trademark Office; responsibility for such prosecution of any pending patent application listed on Schedule B shall remain with the Debtor's attorney of record before the United States Patent and Trademark Office;

(d) To execute any document required to acknowledge, register or perfect the interest of the Secured Party in any part of the IP Collateral without the signature of the Debtor unless prohibited by applicable law; and

(e) Upon the occurrence and during the continuation of an Event of Default, to (i) endorse the Debtor's name on all applications, documents, papers and instruments necessary or desirable for the Secured Party in the use of the IP Collateral, and (ii) take any other actions with respect to the IP Collateral as the Secured Party deems to be in the best interest of the Secured Party in its reasonable discretion.

The foregoing power of attorney is coupled with an interest and is irrevocable until the Obligations secured hereby have been unconditionally and indefeasibly paid or performed in full and the Purchase Agreement has been terminated (except for any obligations designated under the Purchase Agreement as continuing on an unsecured basis).

6. Release. Unless otherwise agreed in writing by the parties, the security interests granted herein will terminate (and all rights to the IP Collateral will revert to the Debtor) upon satisfaction of the following conditions: (a) payment and performance in full of all the Obligations secured hereby unconditionally and indefeasibly and (b) the termination of the Purchase Agreement (except for any obligations designated thereunder as continuing on an unsecured basis). Upon any such termination, the Secured Party (at the Debtor's request and sole expense) will promptly execute and deliver to the Debtor (with such customary representations and warranties from a secured the Secured Party releasing its lien as the Debtor may reasonably request) such documents as the Debtor may reasonably request and as are provided to the Secured Party to evidence such termination.

7. Miscellaneous.

(a) This IP Security Agreement has been entered into in conjunction with the provisions of and the security interest granted to the Secured Party under the Security Agreement. The rights and remedies of the Debtor and the Secured Party with respect to the security interests granted herein are in addition and without prejudice to those set forth in the Purchase Agreement and the Security Agreement, all terms and provisions of which are hereby incorporated herein by reference. In the event that any provisions of this IP Security Agreement are deemed to conflict with the Purchase Agreement or the other Transaction Documents, the provisions of the Purchase Agreement or the other Transaction Documents shall govern.

(b) This IP Security Agreement may be executed in any number of counterparts with the same effect as if all the signatures on such counterparts appeared on one document. Each such counterpart will be deemed to be an original, but all counterparts together will constitute one and the same instrument.

(c) THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF

THIS IP SECURITY AGREEMENT AND ANY DISPUTE ARISING OUT OF OR IN CONNECTION WITH THIS IP SECURITY AGREEMENT, WHETHER SOUNDING IN CONTRACT, TORT, EQUITY OR OTHERWISE, SHALL BE GOVERNED BY SHALL BE GOVERNED BY, CONSTRUED UNDER, AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF DELAWARE.

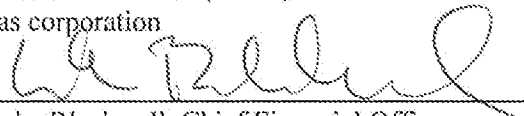
8. SUBORDINATION AGREEMENT CONTROLS. This Agreement and the Lien in the IP Collateral pledged and granted hereunder are subordinated in the manner and to the extent set forth in the Subordination Agreement, as more particularly described therein. Prior to the Payment in Full of the Senior Debt (in each case, as defined in the Subordination Agreement) the Debtor shall not be obligated (and the Secured Party shall not be entitled) to take, or fail to take, any action to the extent that such action, or failure to take such action, would be prohibited by, or would in any way conflict with, the Subordination Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this IP Security Agreement as of the date first written above.

DEBTOR:

HORIZON MUD CO., INC.,
a Texas corporation

By: 

Luke Blackwell, Chief Financial Officer

MUD MASTERS ACQUISITION CORPORATION,
a Texas corporation
to be renamed and known as Mud Masters Group, Inc.,
immediately after the effectiveness hereof

By: 

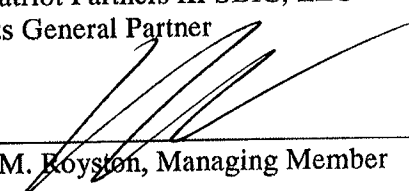
Luke Blackwell, Chief Financial Officer

[SIGNATURE PAGE TO IP SECURITY AGREEMENT]

SECURED PARTIES:

PATRIOT CAPITAL III SBIC, L.P.

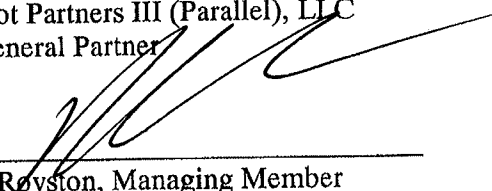
By: Patriot Partners III SBIC, LLC
Its General Partner



Chris M. Royston, Managing Member

PATRIOT CAPITAL III, L.P.

By: Patriot Partners III (Parallel), LLC
Its General Partner



Chris M. Royston, Managing Member

SCHEDULE A

COPYRIGHT COLLATERAL

Registered Copyrights

None.

Pending Copyright Applications

None.

SCHEDULE B
PATENT COLLATERAL

Registered Patents

Country	Serial/Registration No.	Title	Owner(s) of Record
U.S.A.	7,745,378	Drilling Fluid Additive Containing Corn Syrup Solids	Mud Masters Group LLC (LA LLC)
U.S.A.	7,763,570	Drilling Fluid Additive Containing Syrups	Mud Masters Group LLC (LA LLC)
U.S.A.	7,964,537	Air Drilling Misting Fluid Contains Syrups	Mud Masters Group LLC (LA LLC)
U.S.A.	7,972,995	Drilling Fluid Additive Containing Heated Syrup Solids	Mud Masters Group LLC (LA LLC)
U.S.A.	8,101,555	Spotting Fluids Containing Syrups	Mud Masters Group LLC (LA LLC)
U.S.A.	8,216,981	Drilling Fluid Additive System	Mud Masters Group LLC (LA LLC)
U.S.A.	8,673,825	Drilling Fluid Additive With Low Freezing Point	Mud Masters Group LLC, New Orleans, LA (Assignee) Jerry Rayborn, Sr. et al. (Assignor)

Pending Patent Applications

None.

SCHEDULE C

TRADEMARK COLLATERAL

Registered Trademark Applications

<u>Debtor</u>	<u>Owner</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Country</u>	<u>Mark</u>
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	85358791	N/A	U.S.A.	Master Enviro Mud
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	85355427	N/A	U.S.A.	Master Fluid Seal
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	85355417	N/A	U.S.A.	Master Clear Spot
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	85575309	July 30, 2013	U.S.A.	Clearly Green and Clean and Clear Solutions
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	85366534	February 28, 2012	U.S.A.	Master Clear Seal-5
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	85355355	February 28, 2012	U.S.A.	Master Fiber Seal
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	85298044	December 6, 2011	U.S.A.	Master Clear Misting System
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77904896	June 1, 2010	U.S.A.	Non-Damaging Reservoir Technology
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77710958	June 8, 2010	U.S.A.	NDRT

Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77710986	June 8, 2010	U.S.A.	NDRT Non-Damaging Reservoir Technology
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77703915	February 23, 2010	U.S.A.	Master Clear Seal
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77532503	June 23, 2009	U.S.A.	Master Clear Fluid
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77226344	June 15, 2013	U.S.A.	The Mud Masters Group
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77410036	January 12, 2010	U.S.A.	Master Water Surf
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77408874	May 26, 2009	U.S.A.	Master Fine Beads
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77396094	January 12, 2010	U.S.A.	Master Gumbo Control
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77408891	May 26, 2009	U.S.A.	Master Coarse Beads
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77408884	May 19, 2009	U.S.A.	Master Black Sack
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77395646	August 5, 2008	U.S.A.	Proven Professionals – Proven Products – Proven Results
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77354092	December 9, 2008	U.S.A.	Master Lube Coat
Mud Masters Acquisition Corporation	Mud Masters Group, LLC	77354057	November	U.S.A.	Master Black Blend

Corporation	(LA LLC)		18, 2008		
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77278130	January 19, 2010	U.S.A.	Master Squeeze Mix
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77278077	January 19, 2010	U.S.A.	Master Glow Beads
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77278053	April 21, 2009	U.S.A.	Master Slide Drill
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	77277978	December 2, 2008	U.S.A.	Master Quick Spot
Mud Masters Acquisition Corporation	Mud Masters Group, LLC (LA LLC)	76692385	July 21, 2009	U.S.A.	Mud Master

Pending Trademark Applications

None.

Common Law Trademarks

None.

SCHEDULE D

DOMAIN NAMES

1. horizonmud.com
2. mudmastersgroup.com