



ENTERED
12/09/2010

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re	§	Chapter 11
	§	
EXPRESS ENERGY SERVICES	§	
OPERATING, LP, et al.,	§	Case No. 09-38044
	§	
Reorganized Debtors.	§	Jointly Administered
	§	

**AGREED STIPULATION AND ORDER REDUCING AND ALLOWING
PROOFS OF CLAIM FILED BY NATIONAL OILWELL VARCO**

Express Energy Services Operating, LP ("**EES Operating**") and its affiliated reorganized debtors in the above-captioned bankruptcy cases (collectively, the "**Debtors**" or the "**Reorganized Debtors**") and National Oilwell Varco ("**NOV**," and together with the Reorganized Debtors, the "**Parties**"), by and through their respective undersigned counsel, hereby enter into this agreed stipulation and order (this "**Agreed Stipulation and Order**").

RECITALS

WHEREAS, on October 27, 2009 (the "**Commencement Date**"), the Debtors commenced voluntary cases under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "**Court**");

WHEREAS, on December 7, 2009, the Court entered an order confirming the Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the "**Plan**"), which became effective in accordance with its own terms on December 31, 2009;

WHEREAS, between December 8, 2009 and January 12, 2010, NOV, and/or its affiliate NOV Rig Solutions, filed Proof of Claim Nos. 312, 313, 379, 668, 669, and 670 (collectively, the “**Proofs of Claim**”);

WHEREAS, the Proofs of Claim assert claims relating to prepetition goods sold and/or services rendered by NOV and/or its affiliates to the Debtors; and

WHEREAS, in order to resolve all disputes between the Parties relating to the Proofs of Claim and to avoid unnecessary expenses and further litigation, the Parties negotiated and entered into this Agreed Stipulation and Order in good faith and at arms’ length and believe it is in their best respective interests.

AGREED STIPULATION AND ORDER

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the Parties that:

1. **Reduction and Allowance of Proof of Claim No. 379.** Proof of Claim No. 379 is hereby reduced from \$5,031,592.60, and allowed as a Class 4 General Unsecured Claim (as defined in the Plan) against EES Operating in the amount of \$1,000,000 (the “**Allowed Claim**”). The Allowed Claim is in full and final satisfaction of any and all claims and causes of action asserted or assertable in the Proofs of Claim. The Allowed Claim shall be satisfied in accordance with the Plan and Confirmation Order.

2. **Disallowing and Expunging the Remaining Proofs of Claim.** Proof of Claim Nos. 312, 313, 668, 669, and 670 are hereby disallowed and expunged in their entirety without any further action required by any Party.

3. **Mutual Releases.** Except as otherwise provided herein, NOV and its current and former affiliates, including NOV Rig Solutions, and their current and former employees, assigns, heirs, agents, advisors, partners, managers, professionals, directors, officers,

and transferees, forever release and discharge the Reorganized Debtors, the Debtors, their predecessors, and their current and former employees, assigns, heirs, agents, advisors, partners, managers, professionals, directors, officers, and transferees, and the Reorganized Debtors, the Debtors, their predecessors, and their current and former employees, assigns, heirs, agents, advisors, partners, managers, professionals, directors, officers, and transferees forever release and discharge NOV and its current and former affiliates, including NOV Rig Solutions, and their current and former employees, assigns, heirs, agents, advisors, partners, managers, professionals, directors, officers, and transferees, from any and all actions, suits, judgments, claims, proofs of claim, demands, damages, attorneys' fees, causes of action, debts, liabilities, or controversies of any kind whatsoever, whether at law or in equity, whether before a local, state or federal court or state or federal administrative agency or commission, or arbitration administrator, and whether now known or unknown, matured or unmatured, liquidated or unliquidated, that the Parties now have or may have had, or hereafter claim to have on behalf of a Party, or any other person or entity with respect to, or arising under the claims or causes of action asserted or assertable in the Proofs of Claim. Nothing in this paragraph, however, shall constitute a release of any Party's obligations under paragraphs 1 and 2 of this Agreed Stipulation and Order.

4. Reservation of Rights. Except as expressly provided herein, the Parties hereby reserve all of their rights under any applicable law.

5. Authority. The Parties expressly represent and warrant that they have the requisite power, authority, and legal capacity to enter into and execute this Agreed Stipulation and Order, including the power, authority, and legal capacity for NOV to enter into and execute this Agreed Stipulation on behalf of NOV Rig Solutions.

6. Complete Agreement. This Agreed Stipulation and Order is the entire agreement between the Parties with respect to the subject matter of this Agreed Stipulation and Order. All representations, warranties, inducements, and/or statements of intention made by the Parties are embodied herein, and neither Party relied upon, shall be bound by, or shall be liable for any alleged representation, warranty, inducement, or statement of intention that is not expressly set forth herein.

7. Counterparts. This Agreed Stipulation and Order may be executed in any number of counterparts, and all such counterparts, taken together, shall be deemed to constitute one and the same instrument.

8. Drafting and Construction. The Parties acknowledge that the Agreed Stipulation and Order is the joint work product of all of the Parties, and that, accordingly, in the event of ambiguities, no inferences shall be drawn against any Party on the basis of authorship of the Agreed Stipulation and Order.

9. Retention of Jurisdiction. The Court shall retain exclusive jurisdiction over any and all disputes arising out of, or otherwise relating to, this Agreed Stipulation and Order.

10. Binding Effect. This Agreed Stipulation and Order shall be binding on the Parties from the date of its execution, but is expressly subject to, and contingent upon, its approval by the Court. If the Court does not approve this Agreed Stipulation and Order, it shall be null and void.

By: /s/ Alfredo R. Pérez
Alfredo R. Pérez

By: /s/ John Wesley Raley
John Wesley Raley

WEIL, GOTSHAL & MANGES LLP

RALEY & BOWICK LLP

700 Louisiana, Suite 1600
Houston, TX 77002
Tel: (713) 546-5000
Fax: (713) 224-9511

1800 Augusta Drive, Suite 300
Houston, TX 77057
Tel: (713) 429-8050
Fax: (713) 429-8045

Counsel for the Reorganized Debtors

Counsel for National Oilwell Varco

The foregoing Agreed Stipulation and Order **IS HEREBY APPROVED AND ORDERED** by the Court.

Dated: Houston, Texas
Dec. 9, 2010



HONORABLE JEFF BOHM
UNITED STATES BANKRUPTCY JUDGE