



## ReedHycalog Settlement

December 8, 2008

HOUSTON--(BUSINESS WIRE)--Dec. 8, 2008--National Oilwell Varco, Inc. (NYSE:NOV) announced today that it has reached a license agreement with Dowdco Bits, LLC. As part of the settlement, NOV and Dowdco Bits, LLC have agreed to a license regarding the use of shallow leaching diamond cutter technology belonging to its ReedHycalog division. The shallow leaching diamond cutter technology is a part of ReedHycalog's broader portfolio of patented diamond technologies. As part of the agreement, Dowdco Bits has agreed to pay ReedHycalog a royalty of 9.5% on worldwide sales of products using this technology. ReedHycalog designs, manufactures and sells premium roller cone and fixed cutter drill bits, drilling tools and provides other specialty drilling services for the oilfield.

National Oilwell Varco is a worldwide leader in the design, manufacture and sale of equipment and components used in oil and gas drilling and production operations, the provision of oilfield services, and supply chain integration services to the upstream oil and gas industry.

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