

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

NATIONAL-OILWELL, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

76-0475815

(I.R.S. Employer
Identification No.)

10000 RICHMOND AVENUE
HOUSTON, TEXAS 77042
(713) 346-7500

(Address, including zip code, and
telephone number

including area code of

registrant's principal executive offices)

STEVEN W. KRABLIN
10000 RICHMOND AVENUE
HOUSTON, TEXAS 77042
(713) 346-7500

(Name, address, including zip code,
and telephone number including
area code of agent for service)

WITH COPIES TO:

Dwight W. Rettig

National-Oilwell, Inc.

10000 Richmond

Houston, Texas 77042-4200

(713) 346-7550

Margaret B. Symonds

Bracewell & Patterson, L.L.P.

711 Louisiana Street, Suite 2900

Houston, Texas 77002-2781

(713) 221-1368

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO PUBLIC: From time to time
after the effective date of this registration statement as the selling
stockholder shall determine.

If the only securities being registered on this Form are being offered pursuant
to dividend or interest reinvestment plans, please check the following box. []

If any of the securities being registered on this Form are to be offered on a
delayed or continuous basis pursuant to Rule 415 under the Securities Act of
1933, other than securities offered only in connection with dividend or interest
reinvestment plans, check the following box. [X]

If this Form is filed to register additional securities for an offering pursuant
to Rule 462(b) under the Securities Act, please check the following box and list
the Securities Act registration statement number of the earlier effective
registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under
the Securities Act, check the following box and list the Securities Act
registration statement number of the earlier effective registration statement
for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434,
please check the following box. []

CALCULATION OF REGISTRATION FEE

Proposed Maximum Title of
securities to Amount to be
Offering Price Per Proposed
maximum aggregate Amount of
registration be registered
Registered (1) Share (2)
offering price (2) fee (2) -

----- Common Stock,
par value \$.01 per share
3,200,000 shares \$19.72
\$63,104,000 \$5,806
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- (1) All 3,200,000 shares of common stock offered hereby are being offered and sold for the account of the selling stockholder named herein.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act based on the average of the high and low sales prices of the common stock as reported on the New York Stock Exchange, Inc. on January 21, 2003.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

Subject to completion, dated _____, 2003

PROSPECTUS

NATIONAL-OILWELL, INC.

3,200,000 shares

Common Stock

The selling stockholder identified in this prospectus is offering to sell, from time to time, up to 3,200,000 shares of common stock, par value \$.01 per share, of National-Oilwell, Inc. at prices and on terms to be determined from time to time. We will not receive any proceeds from the sale of the shares of common stock offered by this prospectus by the selling stockholder. You should refer to the "Selling Stockholder" section of this prospectus for identification of the selling stockholder.

Our common stock trades on the New York Stock Exchange under the symbol "NOI." On January 22, 2003, the last reported sale price of our common stock on the New York Stock Exchange, Inc. was \$20.31.

The selling stockholder may offer its shares from time to time through public or private transactions, on or off the New York Stock Exchange, Inc., at prevailing market prices or at privately negotiated prices. The selling stockholder may make sales directly to purchasers or through brokers, agents, dealers or underwriters. The selling stockholder will bear all commissions and other compensation paid to brokers in connection with the sale of the shares.

Our address is 10000 Richmond Avenue, Houston, Texas 77042, and our telephone number at that address is (713) 346-7500.

YOU SHOULD CAREFULLY REVIEW AND CONSIDER THE INFORMATION UNDER THE HEADING "RISK FACTORS" BEGINNING ON PAGE 2 OF THIS PROSPECTUS.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The information in this prospectus is not complete and may be changed. The selling stockholder may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

The date of this prospectus is _____, 2003.

YOU SHOULD RELY ON THE INFORMATION CONTAINED IN THIS PROSPECTUS OR TO WHICH WE HAVE REFERRED YOU. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH DIFFERENT INFORMATION. THIS PROSPECTUS MAY ONLY BE USED WHERE IT IS LEGAL TO SELL THE SHARES. YOU SHOULD NOT ASSUME THAT THE INFORMATION IN OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE ON THE FRONT COVER OF THOSE DOCUMENTS. OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS MAY HAVE CHANGED SINCE THOSE DATES.

TABLE OF CONTENTS

WHERE YOU CAN FIND MORE INFORMATION.....	i
INFORMATION REGARDING FORWARD-LOOKING STATEMENTS	ii
SUMMARY	1
RISK FACTORS	2
USE OF PROCEEDS	4
SELLING STOCKHOLDER	4
PLAN OF DISTRIBUTION	5
LEGAL MATTERS	7
EXPERTS	7

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission (File No.: 1-12317). You may read and copy any document we file with the SEC at the SEC's public reference room located at:

SEC's Public Reference Room
450 Fifth Street, N.W.
Washington, D.C. 20549

Please call the SEC at 1-800-SEC-0330 for further information on the public reference room and its copy charges. Our SEC filings are also available to the public on the SEC's web site at <http://www.sec.gov> and at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005, the stock exchange on which our common stock is traded.

The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information, as well as the information included in any prospectus supplement. We incorporate by reference any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this prospectus and until all the shares have been sold. We also specifically incorporate by reference the following documents that we have already filed with the SEC:

- o Our Annual Report on Form 10-K for the fiscal year ended December 31, 2001;
- o Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2002;
- o Our Quarterly Report on Form 10-Q for the quarter ended June 30, 2002;
- o Our Quarterly Report on Form 10-Q for the quarter ended September 30, 2002;
- o Our Current Report on Form 8-K filed on August 13, 2002;
- o Our Current Report on Form 8-K filed on October 16, 2002;
- o Our Current Report on Form 8-K filed on November 14, 2002; and
- o Our Registration Statement on Form 8-A filed on October 15, 1996; as updated by our Current Report on Form 8-K filed on November 17, 1997.

We encourage you to read our periodic and current reports. We think these reports provide additional information about our company which investors find important. You may obtain copies of our documents filed with the SEC on our website, www.natoil.com. You may also request a printed copy of

these filings as well as any future filings incorporated by reference (and any exhibit incorporated by reference in those documents), at no cost, by contacting us at the following address and telephone number:

National-Oilwell, Inc.
10000 Richmond Avenue
Houston, Texas 77042-4200
Attention: Investor Relations
713-346-7500

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements made or incorporated by reference in this prospectus contain forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements typically are identified by use of terms such as "may," "will," "expect," "anticipate," "estimate" and similar words, although some forward-looking statements are expressed differently. You should be aware that our actual results could differ materially from those contained in the forward-looking statements due to a number of factors, including but not limited to changes in oil and gas prices, customer demand for our products and worldwide economic activity. You should also consider carefully the statements under "Risk Factors" which address additional factors that could cause our actual results to differ from those set forth in the forward-looking statements. We may note additional factors in this prospectus, and in documents incorporated by reference into this prospectus and an accompanying prospectus supplement. Given these uncertainties, current or prospective investors are cautioned not to place undue reliance on any such forward-looking statements. We undertake no obligation to update any such factors or forward-looking statements to reflect future events or developments.

SUMMARY

NATIONAL-OILWELL, INC.

National-Oilwell, Inc. a Delaware corporation, is a worldwide leader in the design, manufacture and sale of comprehensive systems and components used in oil and gas drilling and production, as well as in providing supply chain integration services to the upstream oil and gas industry.

National Oilwell manufactures and assembles drilling machinery, including drawworks, mud pumps and top drives, which are the major mechanical components of drilling rigs, as well as masts, derricks, cranes and substructures. Many of these components are designed specifically for more demanding applications, which include offshore, extended reach and deep land drilling. We also provide electrical power systems, computer control systems and automation systems for drilling rigs. Our systems are used in many of the industry's most technologically demanding applications. In addition, we provide engineering and fabrication services to integrate our drilling products and deliver complete land drilling and workover rigs as well as drilling modules for mobile offshore drilling rigs or offshore drilling platforms.

Our Products and Technology segment also designs and manufactures drilling motors and specialized downhole tools for rent and sale. Drilling motors are essential components of systems for horizontal, directional, extended reach and performance drilling. Downhole tools include fishing tools, drilling jars, shock tools and other specialized products.

Our Distribution Services segment offers comprehensive supply chain integration services to the drilling and production segments. Our network of service centers located in the United States and Canada and near other major drilling and production activity worldwide use state of the art information technology platforms to provide procurement, inventory management and logistics services. These service centers stock and sell a variety of expendable items for oilfield applications and spare parts for equipment manufactured by National Oilwell.

RECENT DEVELOPMENTS

On October 11, 2002, we signed a Combination Agreement to acquire Hydralift ASA for Norwegian Kroner 55 per share, which is approximately U.S. \$7.33, per share. Hydralift's shares are currently trading on the Oslo Bors Exchange and information regarding Hydralift can be found in its publicly available reports. The acquisition is structured as a cash tender offer for all of the issued and outstanding shares of Hydralift. On December 18, 2002, we accepted the tender of over ninety percent (90%) of the outstanding shares of Hydralift, and as of December 31, 2002, we owned over 98% of the shares of Hydralift. We are currently working with the Oslo Bors Exchange to complete a mandatory offer for the remaining shares of Hydralift. Although no assurance can be given, we expect to complete this acquisition by the end of the first quarter of 2003 at a total cost, including assumed debt, of approximately \$300 million.

On January 16, 2003, we purchased all of the issued and outstanding shares of Monoflo, Inc., a Delaware corporation, Mono Group, a private unlimited company organized under the laws of Scotland and Mono Pumps Limited, a private unlimited company organized under the laws of Wales and England. We issued 3.2 million shares of our common stock and paid \$22.65 million in cash for the shares of Monoflo, Mono Pumps Limited and Mono Group, for a total consideration of approximately \$87 million based on the January 15, 2003 closing price of shares of our common stock.

RISK FACTORS

You should carefully consider the risks described below, in addition to other information contained or incorporated by reference in this prospectus. Realization of any of the following risks could have a material adverse effect on our business, financial condition, cash flows and results of operations.

NATIONAL OILWELL DEPENDS ON THE OIL AND GAS INDUSTRY

National Oilwell is dependent upon the oil and gas industry and its willingness to explore for and produce oil and gas. The industry's willingness to explore and produce depends upon the prevailing view of future product prices. Many factors affect the supply and demand for oil and gas and therefore influence product prices, including:

- o level of production from known reserves;
- o cost of producing oil and gas;
- o level of drilling activity;
- o worldwide economic activity;
- o national government political requirements;
- o development of alternate energy sources; and
- o environmental regulations.

If there is a significant reduction in demand for drilling services, in cash flows of drilling contractors or production companies or in drilling or well servicing rig utilization rates, then demand for our products will decline.

OIL AND GAS PRICES ARE VOLATILE

Oil and gas prices have been volatile since 1990, ranging from \$10 - \$40 per barrel. Oil prices were low in 1998, generally ranging from \$11 to \$16 per barrel. In 1999, oil prices increased and were generally in the \$25-\$30 per barrel range during 2000. Prices once again declined in the second half of 2001, generally ranging between \$18 and \$22 per barrel. Since the second quarter of 2002, prices have generally ranged from \$25-\$30 per barrel. Spot gas prices have also been volatile since 1990, ranging from less than \$1.00 per mmbtu to above \$10.00. Gas prices were moderate in 1998 and 1999, generally ranging from \$1.80 to \$2.50 per mmbtu. Gas prices strengthened throughout 2000, generally ranging from \$4-\$8 per mmbtu. In the second quarter of 2001, gas prices again came under pressure, generally ranging between \$2.20 to \$3.00 per mmbtu through the first quarter of 2002. Gas prices increased in the second quarter of 2002 and have generally ranged between \$3.00 to \$5.00 per mmbtu since that time.

These price changes have caused many shifts in the strategies and expenditure levels of oil and gas companies and drilling contractors, particularly with respect to decisions to purchase major capital equipment of the type we manufacture. In the second half of 1998, lower oil prices slowed production and new drilling, particularly in areas with high per barrel cost of production. This slowdown quickly affected our Distribution Services segment and subsequently negatively impacted our Products and Technology segment. While our activity increased in 2001 in response to the improved commodity price environment, demand again declined in the fourth quarter of 2001. Industry activity and our revenues

have not responded to the higher commodity prices that have existed since the second quarter of 2002. We cannot predict future oil and gas prices or the effect prices will have on exploration and production levels.

NATIONAL OILWELL'S INDUSTRY IS HIGHLY COMPETITIVE

The oilfield products and services industry is highly competitive. The following competitive actions can each affect our revenues and earnings:

- o price changes;
- o new product and technology introductions; and
- o improvements in availability and delivery.

We compete with many companies and there are low barriers to entry in many of our business segments. Some of the companies with whom we now or may in the future compete may possess greater financial resources or offer certain products that we do not have.

NATIONAL OILWELL FACES POTENTIAL PRODUCT LIABILITY AND WARRANTY CLAIMS

Customers use some of our products in potentially hazardous drilling, completion and production applications that can cause:

- o injury or loss of life;
- o damage to property, equipment or the environment; and
- o suspension of operations.

We maintain amounts and types of insurance coverage that we believe are consistent with normal industry practice. We cannot guarantee that insurance will be adequate to cover all liabilities we may incur. We also may not be able to maintain insurance in the future at levels we believe are necessary and at rates we consider reasonable.

National Oilwell may be named as a defendant in product liability or other lawsuits asserting potentially large claims if an accident occurs at a location where our equipment and services have been used. We are currently party to various legal and administrative proceedings. We cannot predict the outcome of these proceedings, nor can we guarantee any negative outcomes will not be significant to us.

INSTABILITY OF FOREIGN MARKETS COULD HAVE A NEGATIVE IMPACT ON THE REVENUES OF NATIONAL OILWELL

Some of our revenues depend upon customers in the Middle East, Africa, Southeast Asia, South America and other international markets. These revenues are subject to risks of instability of foreign economies and governments. Laws and regulations limiting exports to particular countries can affect our sales, and sometimes export laws and regulations of one jurisdiction contradict those of another.

National Oilwell is exposed to the risks of changes in exchange rates between the U.S. dollar and foreign currencies. We do not currently engage in or plan to engage in any significant hedging or currency trading transactions designed to compensate for adverse currency fluctuations.

NATIONAL OILWELL MAY NOT BE ABLE TO SUCCESSFULLY MANAGE ITS GROWTH

National Oilwell has acquired 27 companies during the past five years, including nine in 2001 and four through December 2002. We announced an agreement to acquire the shares of Hydralift ASA in October 2002, which is expected to be completed by the end of the first quarter of 2003 at a total cost, including assumed debt, of approximately \$300 million. In addition, we have acquired all of the outstanding shares of Monoflo, Inc., a Delaware corporation, Mono Group, a private unlimited company organized under the laws of Scotland, and Mono Pumps Limited, a private unlimited company organized under the laws of Wales and England. We cannot predict whether suitable acquisition candidates will be available on reasonable terms or if we will have access to adequate funds to complete any desired acquisition. Once acquired, we cannot guarantee that we will successfully integrate the operations of the acquired companies. Combining organizations could interrupt the activities of some or all of our businesses and have a negative impact on operations.

NATIONAL OILWELL HAS DEBT

In 1998, National Oilwell issued \$150 million of 6 7/8% unsecured senior notes due July 1, 2005. In 2001, we issued an additional \$150 million of 6 1/2% unsecured senior notes due March 15, 2011. As of September 30, 2002, we had a total of \$300 million of debt and a total of \$921 million of stockholders' equity. On November 22, 2002, we issued an additional \$200 million of 5.65% unsecured senior notes due November 15, 2012. In addition, although no assurance can be given that the acquisition will be completed, National-Oilwell expects that it will assume approximately \$90 million in debt upon the closing of the Hydralift acquisition. Our leverage requires us to use some of our cash flow from operations for payment of interest on our debt. Our leverage may also make it more difficult to obtain additional financing in the future. Further, our leverage could make us more vulnerable to economic downturns and competitive pressures.

USE OF PROCEEDS

We will not receive any proceeds from the sale of the shares by the selling stockholder.

SELLING STOCKHOLDER

On January 16, 2003, we purchased all of the issued and outstanding shares of Monoflo, Inc., a Delaware corporation, Mono Group, a private unlimited company organized under the laws of Scotland, and Mono Pumps Limited, a private unlimited company organized under the laws of Wales and England. As part of the consideration for the purchase of the stock of these entities, we issued 3,200,000 shares of common stock to Halliburton Energy Services, Inc. We are obligated to register the shares of common stock issued to Halliburton Energy Services, Inc. pursuant to the terms of a Registration Rights Agreement dated as of January 15, 2003.

The selling stockholder has not held any position or office, and has not had any other material relationship with us or any of our affiliates within the last three years.

The following table sets forth information regarding the beneficial ownership of the shares of common stock by the selling stockholder as of January 21, 2003, including the number of shares of our common stock that the selling stockholder owned prior to the offering and the number of shares of our common stock that may be offered for resale for the account of the selling stockholder, or its assigns, pursuant to this prospectus. Beneficial ownership is determined in accordance with the rules and regulations of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities.

The shares set forth below may be offered from time to time by the selling stockholder. However, the selling stockholder is under no obligation to sell all or any portion of such shares, nor is the selling stockholder obligated to sell any such shares immediately pursuant to this prospectus.

The table below sets forth information with respect to the shares of our common stock beneficially owned by the selling stockholder.

NUMBER OF SHARES NUMBER OF SHARES BENEFICIALLY OWNED REGISTERED FOR NUMBER OF SHARES NAME OF SELLING STOCKHOLDER PRIOR TO OFFERING (1) SALE HEREBY AFTER OFFERING	Halliburton Energy Services, Inc. 3,200,000 3,200,000 (1) (2)
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(1) The shares owned by the selling stockholder represent less than 5% of the outstanding shares of common stock.

(2) Because the selling stockholder may offer all, some or none of the shares pursuant to this prospectus, we do not know the exact number of shares that will be held by the selling stockholder after completion of the sale of shares hereunder. See "Plan of Distribution".

PLAN OF DISTRIBUTION

We are registering the shares of common stock on behalf of the selling stockholder. We will bear all costs, expenses and fees in connection with the registration of the shares of common stock. The selling stockholder will bear its own brokerage commissions and similar selling expenses, if any, attributable to the sale of the shares of common stock. All or part of the shares of common stock may be offered by the selling stockholder from time to time in transactions on the New York Stock Exchange, at fixed prices that may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. The methods by which the shares of common stock may be sold or distributed may include, but not be limited to, the following:

- o purchases by a broker or dealer as principal and resale by such broker or dealer for its account;
- o an exchange distribution in accordance with the rules of such exchange;
- o ordinary brokerage transactions and transactions in which the broker solicits purchasers;
- o privately negotiated transactions;
- o a cross or block trade in which the broker or dealer so engaged will attempt to sell the shares of common stock as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- o short sales, short sales against the box, puts and calls and other transactions in our securities or derivatives thereof, in connection with which the selling stockholder may sell and deliver the shares of common stock;
- o short sales or borrowings, returns and reborrowings of the common stock pursuant to stock loan agreements to settle short

sales;

- o delivery in connection with the issuance of securities by issuers, other than us, that are exchangeable for (whether optional or mandatory), or payable in, such common stock (whether such securities are listed on a national securities exchange or otherwise) or pursuant to which such common stock may be distributed; and
- o a combination of such methods of sale or distribution.

The selling stockholder may also sell such shares of common stock in accordance with Rule 144 under the Securities Act of 1933, as amended.

In effecting sales, brokers or dealers engaged by the selling stockholder may arrange for other brokers or dealers to participate. Brokers or dealers may receive commissions or discounts from the selling stockholder or from the purchasers in amounts to be negotiated immediately prior to the sale.

If underwriters are used in the sale, the shares of common stock will be acquired by the underwriters for their own account. The underwriters may resell the common stock in one or more transactions, including negotiated transactions at a fixed public offering price or at varying prices determined at the time of sale. Any public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time. If we are notified that underwriters are involved, the names of the underwriters, if any, with respect to any such offering and the terms of the transactions, including any underwriting discounts, concessions or commissions and other items constituting compensation of the underwriters and broker-dealers, if any, will be set forth in a supplement to this prospectus relating to that offering. The obligations of the underwriters to purchase the common stock will be subject to specified conditions, and the underwriters will be obligated to purchase all of the common stock specified in such supplement if any are purchased.

This prospectus may also be used by donees of the selling stockholder or other persons acquiring shares of common stock, including brokers who borrow the common stock to settle short sales of common stock, and who wish to offer and sell such common stock under circumstances requiring or making desirable its use. From time to time a selling stockholder may pledge its common stock pursuant to the margin provisions of its customer agreements with respective brokers or otherwise. Upon a default by a selling stockholder, the broker or pledgee may offer and sell the pledged common stock from time to time.

The selling stockholder and any broker-dealers who act in connection with the sale of common stock hereunder may be deemed to be "underwriters" as that term is defined in the Securities Act, and any commissions received by them and any profit on the resale of the common stock as principal might be deemed to be underwriting discounts and commissions under the Securities Act. We have advised the selling stockholder that because it may be deemed to be an underwriter, the anti-manipulative provisions of Regulation M promulgated under the Exchange Act may apply to its sales.

We have agreed to indemnify the selling stockholder against certain liabilities, including liabilities arising under the Securities Act of 1933. The selling stockholder may agree to indemnify any agent, dealer or broker-dealer that participates in transactions involving shares of the common stock against certain liabilities, including liabilities arising under the Securities Act of 1933.

LEGAL MATTERS

The validity of the securities will be passed upon by Bracewell & Patterson, L.L.P., Houston, Texas.

EXPERTS

Ernst & Young LLP, independent auditors, have audited the consolidated financial statements appearing in National-Oilwell, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2001, as set forth in their report, which is incorporated by reference in this Registration Statement, which as to the year 1999, is based in part on the report of KPMG LLP, independent auditors. National-Oilwell, Inc.'s financial statements are incorporated by reference in reliance upon such reports given on their authority of such firms as experts in accounting and auditing.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

We will pay for the fees and expenses of the offering. All amounts, except the Securities and Exchange Commission registration fee, are estimated and are subject to future contingencies. The expenses of the offering are estimated to be as follows:

Securities and Exchange Commission Registration Fee	\$ 5,806
Legal Fees and Expenses	\$ 15,000
Accounting Fees and Expenses	\$ 5,000
Miscellaneous	\$ 1,194
Total	\$ 27,000
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ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 145 of the Delaware General Corporation Law (the "DGCL") authorizes, inter alia, a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of the fact that such person is or was an officer or director of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. A Delaware corporation may indemnify past or present officers and directors of such corporation or of another corporation or other enterprise at the former corporation's request, in an action by or in the right of the corporation to procure a judgment in its favor under the same conditions, except that no indemnification is permitted without judicial approval if such person is adjudged to be liable to the corporation. Where an officer or director is successful on the merits or otherwise in defense of any action referred to above, or in defense of any claim, issue or matter therein, the corporation must indemnify him against the expenses (including attorney's fees) which he actually and reasonably incurred in connection therewith. Section 145 further provides that any indemnification shall be made by the corporation only as authorized in each specific case upon a determination by the (i) stockholders, (ii) board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding or (iii) independent counsel if a quorum of disinterested directors so directs. Section 145 provides that indemnification pursuant to its provisions is not exclusive of other rights of indemnification to which a person may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

Section 145 of the DGCL also empowers National Oilwell to purchase and maintain insurance on behalf of any person who is or was an officer or director of National Oilwell against liability asserted against or incurred by him in any such capacity, whether or not National Oilwell would have the power to indemnify such officer or director against such liability under the provisions of section 145. National Oilwell maintains a directors' and officers' liability policy for such purposes.

Article Sixth, Part II, Section 1 of National Oilwell's Amended and Restated Certificate of Incorporation and Article VI of National Oilwell's Bylaws each provide that directors, officers, employees and agents shall be indemnified to the fullest extent permitted by Section 145 of the DGCL.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Exhibits. The following exhibits are filed as part of this Registration Statement.

EXHIBIT
NUMBER

DESCRIPTION

- 4.1 Amended and Restated Certificate of Incorporation of National-Oilwell, Inc. (incorporated by reference from Exhibit 3.1 of National Oilwell's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000, filed August 11, 2000).
- 4.2 By-laws of National-Oilwell, Inc. (incorporated by reference from Exhibit 3.2 to National Oilwell's Registration Statement on Form S-1, as amended (Registration No. 333-11051), initially filed on August 29, 1996.
- 4.3 Registration Rights Agreement by and between National-Oilwell, Inc. and Halliburton Energy Services, Inc. dated January 15, 2003.
- 5 Opinion of Bracewell & Patterson, L.L.P.
- 23.1 Consent of Ernst & Young LLP
- 23.2 Consent of KPMG LLP
- 23.3 Consent of Bracewell & Patterson, L.L.P. (included in its opinion filed as Exhibit 5 hereto)
- 24 Powers of Attorney (included as part of the signature page hereof)

ITEM 17. UNDERTAKINGS

(a) The undersigned registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;
 - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.
- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and where applicable each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) The undersigned registrant hereby undertakes that insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 15 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding) is asserted by such officer, director or controlling person of the registrant in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether or not such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on January 22, 2003.

NATIONAL-OILWELL, INC.

By: /s/ Steven W. Krablin

Name: Steven W. Krablin
Title: Vice President and Chief Financial Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, THAT EACH PERSON WHOSE SIGNATURE APPEARS BELOW IN SO SIGNING ALSO MAKES, CONSTITUTES AND APPOINTS STEVEN W. KRABLIN AND M. GAY MATHER, OR EITHER OF THEM ACTING SINGLY, HIS TRUE AND LAWFUL ATTORNEY-IN-FACT AND AGENT, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION, FOR HIM AND IN HIS NAME, PLACE AND STEAD, IN ANY AND ALL CAPACITIES, TO EXECUTE AND CAUSE TO BE FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ANY AND ALL AMENDMENTS AND POST-EFFECTIVE AMENDMENTS TO THIS REGISTRATION STATEMENT AND A RELATED REGISTRATION STATEMENT THAT IS TO BE EFFECTIVE UPON FILING PURSUANT TO RULE 462(B) UNDER THE SECURITIES ACT OF 1933, AND IN EACH CASE TO FILE THE SAME, WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THEREWITH, AND HEREBY RATIFIES AND CONFIRMS ALL THAT SAID ATTORNEY-IN-FACT AND AGENT OR HIS SUBSTITUTE OR SUBSTITUTES MAY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities and on the date indicated.

SIGNATURE
TITLE DATE

/s/
Merrill A.
Miller,
Jr.
Chairman
of the
Board of
Directors
January
22, 2003 -

(Principal
Executive
Officer)

Merrill A.
Miller,
Jr. /s/
Steven W.
Krablin
Vice
President
and Chief
Financial
Officer
January
22, 2003 -

Officer
(Principal
Financial
Officer)
Steven W.
Krablin

Director -

Hushang
Ansary /s/
Robert E.
Beauchamp
Director
January
22, 2003 -

--- Robert
E.
Beauchamp
/s/ Jon
Gjedebo
Director
January
22, 2003 -

--- Jon
Gjedebo

/s/ Ben A. Guill ----- Ben A. Guill	Director	January 22, 2003
/s/ Roger L. Jarvis ----- Roger L. Jarvis	Director	January 22, 2003
/s/ William E. Macaulay ----- William E. Macaulay	Director	January 22, 2003
/s/ Frederick W. Pheasey ----- Frederick W. Pheasey	Director	January 22, 2003
/s/ Joel V. Staff ----- Joel V. Staff	Director	January 22, 2003

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION OF EXHIBIT - ----- -----
----- 4.1	Amended and Restated Certificate of Incorporation of National-Oilwell, Inc. (incorporated by reference from Exhibit 3.1 of National Oilwell's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000, filed August 11, 2000).
4.2	By-laws of National-Oilwell, Inc. (incorporated by reference from Exhibit 3.2 to National Oilwell's Registration Statement on Form S-1, as amended (Registration No. 333-11051), initially filed on August 29, 1996.
4.3	Registration Rights Agreement by and between National-Oilwell, Inc. and Halliburton Energy Services, Inc. dated January 15, 2003.
5	Opinion of Bracewell & Patterson, L.L.P.
23.1	Consent of Ernst & Young LLP
23.2	Consent of KPMG LLP
23.3	Consent of Bracewell & Patterson, L.L.P. (included in its opinion

filed as
Exhibit 5
hereto) 24
Powers of
Attorney
(included as
part of the
signature
page hereof)

NATIONAL-OILWELL, INC.,
A DELAWARE CORPORATION

REGISTRATION RIGHTS AGREEMENT
January 15, 2003

[Registration Rights Agreement]

TABLE OF CONTENTS

	PAGE ---- SECTION 1. CERTAIN	
DEFINITIONS.....	1	
	SECTION 2. REGISTRATION	
RIGHTS.....	3	2.1. SHELF
REGISTRATION.....	3	2.2
DEMAND REGISTRATION.....	3	
	2.3. LIMITATIONS ON SUBSEQUENT REGISTRATION	
RIGHTS.....	5	2.4. EXPENSES OF
REGISTRATION.....	6	2.5.
REGISTRATION PROCEDURES.....	6	
	2.6.	
INDEMNIFICATION.....	8	
	2.7. CERTAIN AGREEMENTS OF	
HOLDERS.....	10	2.8. RULE 144
REPORTING.....	11	2.9.
TRANSFER OF REGISTRATION RIGHTS.....	12	
	2.10. TERMINATION OF REGISTRATION	
RIGHTS.....	12	SECTION 3.
MISCELLANEOUS.....	12	
	3.1. GOVERNING	
LAW.....	12	3.2.
SUCCESSOR AND ASSIGNS.....	13	
	3.3. ENTIRE AGREEMENT;	
AMENDMENT.....	13	3.4. NOTICES,
ETC.....	13	3.5. DELAYS
OR OMISSIONS.....	13	3.6.
SEVERABILITY.....	14	
	3.7. TITLES AND	
SUBTITLES.....	14	3.8.
GENDER.....	14	
	3.9.	
COUNTERPARTS.....	14	

[Registration Rights Agreement]

THIS REGISTRATION RIGHTS AGREEMENT ("Agreement") is entered into as of the 15th day of January, 2003 by and between NATIONAL-OILWELL, INC., a Delaware corporation (the "Company"), and HALLIBURTON ENERGY SERVICES, INC., a Delaware corporation ("HES").

Recitals

The Company is entering into two Purchase Agreements (the "Stock Purchase Agreements") dated as of the date hereof, with HES pursuant to which the Company is issuing to HES 3,200,000 shares of Common Stock (as defined below) as partial consideration for the purchase of all of the outstanding capital stock of Monoflo Inc. and Mono Group. In order to induce HES to enter into the Stock Purchase Agreements, the Company wishes to grant registration rights to HES as more fully set forth herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, the parties hereby agree as follows:

Section 1. Certain Definitions.

As used in this Agreement, the following terms shall have the following respective meanings:

"Closing Date" shall mean the date on which shares of Common Stock are issued to HES pursuant to the Stock Purchase Agreements.

"Commission" shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

"Common Stock" shall mean the common stock of the Company, par value \$.01 per share, and any other securities issued in respect of Common Stock upon any stock split, stock dividend, recapitalization, merger, consolidation, share exchange or similar event.

"Demand Registration" has the meaning set forth in Section 2.2(a).

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, or any similar federal statute and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Holder" shall mean HES and any Person holding Registrable Securities to whom the rights under this Agreement have been transferred in accordance with Section 2.9 hereof.

"NYSE" shall mean the New York Stock Exchange.

[Registration Rights Agreement]

"Person" means any individual, any foreign or domestic corporation, general partnership, limited partnership, limited liability company, firm, joint venture, association, individual retirement account, joint stock company, trust, estate, unincorporated organization, governmental or regulatory body or other entity.

"Registrable Securities" shall mean the shares of Common Stock of the Company issued to HES pursuant to the Stock Purchase Agreements; provided, however, that such securities shall be treated as Registrable Securities only if and only for so long as they are held by a Holder, and (i) they have not been sold or disposed of pursuant to a registration statement declared effective by the Commission, so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale, or (ii) they have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act, so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale, or (iii) the registration rights as to the Holder of such Registrable Securities have not expired pursuant to Section 2.10.

The terms "register," "registered" and "registration" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such registration statement.

"Registration Expenses" shall mean all expenses incurred by the Company in complying with Section 2.1 or 2.2 hereof, including, without limitation, all registration, qualification and filing fees, printing expenses, escrow fees, fees and disbursements of counsel for the Company, blue sky fees and expenses, the fees and expenses incurred in connection with the listing of the securities to be registered on each securities exchange or national market on which similar securities issued by the Company are then listed or quoted, the expense of any special audits incident to or required by any such registration (but excluding the compensation of regular employees of the Company which shall be paid in any event by the Company), all transfer taxes, the reasonable fees and disbursements of one counsel for the Selling Holders incurred in connection with any Demand Registration hereunder (but shall not include any underwriting discounts, commissions or fees, including Underwriters' counsel fees and expenses, attributable to the sale of the Registrable Securities) and any reasonable out-of-pocket expenses of the Selling Holders or the agents who manage their accounts.

"Securities Act" shall mean the Securities Act of 1933, as amended, or any similar federal statute and the rules and regulations of the Commission promulgated thereunder, all as the same shall be in effect at the time.

"Selling Holder" means a Holder who is selling Registrable Securities pursuant to a registration statement.

"Shelf Registration" has the meaning set forth in Section 2.1(a) of this Agreement.

Section 2. Registration Rights.

2.1 Shelf Registration.

(a) The Company will prepare and file with the Commission, not later than the 5th business day following the Closing Date, a registration statement on Form S-3 for a public offering of shares of the Registrable Securities from time to time in one or more transactions on the NYSE pursuant to and in accordance with the applicable rules of the NYSE, in block transactions on the NYSE pursuant to and in accordance with the applicable rules of the NYSE, in negotiated transactions or in a combination of any methods of sale, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices (a "Shelf Registration"). Such Shelf Registration will contain a plan of distribution acceptable to the Selling Holders.

(b) The Company will use its best lawful efforts to cause such Shelf Registration to become and remain effective until all Registrable Securities are sold. The Company will also use its best lawful efforts to take such further actions as may be necessary (including, without limitation, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act and any other governmental requirements or regulations) to permit or facilitate the sale and distribution of all of such Registrable Securities pursuant to the plan of distribution in the Shelf Registration; provided, however, that the Company shall not be obligated to take any action to permit or facilitate such sale or distribution in any particular jurisdiction in which the Company would be required to execute a general consent to service of process unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

(c) The Company shall not register securities for sale for its own account in any Shelf Registration requested pursuant to this Section 2.1 without the prior written consent of HES. The Company may not cause any other registration of securities for sale for its own account (other than a registration effected solely to implement an employee benefit plan or stock option plan) to be initiated after the Closing Date prior to 90 days after the effective date of the Shelf Registration, provided that the Company may file (i) a registration statement on Form S-4 pursuant to the Registration Rights Agreement dated as of November 22, 2002 by and between the Company and Merrill Lynch, Pierce, Fenner & Smith Incorporated on or after March 5, 2003 and (ii) any registration statement after the date on which the Shelf Registration pursuant to this Section 2.1 is declared effective by the Commission.

2.2 Demand Registration

(a) At any time after the Closing Date, if (i) the Shelf Registration pursuant to Section 2.1 is not declared effective by the Commission on or before the 45th day following the Closing Date or (ii) the Shelf Registration pursuant to Section 2.1 that has been declared effective under the Securities Act ceases at any time to be in effect under the Securities Act with respect to such Registrable Securities prior to the time all such Registrable Securities are sold, any Holder or Holders who collectively own at least 40% of the outstanding Registrable

Securities may make up to two written requests for registration under the Securities Act of all or part of its or their Registrable Securities (each, a "Demand Registration"). In each case, such request will specify the number of shares of Registrable Securities proposed to be sold and will also specify the intended method of disposition thereof. Within 10 days after receipt of such request, the Company will give written notice of such registration request to any other Holders of Registrable Securities and include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 15 days after the receipt by the applicable Holder of the Company's notice. Unless the Holder or Holders of a majority in number of shares of the Registrable Securities to be registered in such Demand Registration shall consent in writing, no other party, including the Company (but excluding another Holder of a Registrable Security), shall be permitted to offer securities under any such Demand Registration.

(b) The Company will, as soon as practicable and in no event later than 30 days after receipt of such request, use its best lawful efforts to effect such registration, qualification or compliance (including, without limitation, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act and any other governmental requirements or regulations) as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Registrable Securities; provided, however, that the Company shall not be obligated to take any action to effect any such registration, qualification or compliance pursuant to this Section 2.2 in any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

(c) The Company will prepare and file with the Commission a registration statement with respect to such securities and use its best lawful efforts to cause such registration statement to become and remain effective for a period of one hundred twenty (120) days or until the Selling Holder or Selling Holders have completed the distribution described in the registration statement relating thereto, whichever first occurs; provided, however, that such 120-day period shall be extended for a period of time equal to the period the Selling Holder refrains from selling any securities included in such registration at the request of an underwriter of Common Stock (or other securities) of the Company.

(d) A registration will not count as a Demand Registration until it has become effective.

(e) If the Selling Holders representing a majority of the Registrable Securities to be registered in a Demand Registration so elect, the offering of such Registrable Securities pursuant to such Demand Registration shall be in the form of an underwritten offering. The Selling Holders of a majority in number of the Registrable Securities to be included in such Demand Registration will select a managing underwriter or underwriters to administer the offering, which managing underwriter or underwriters shall be reasonably satisfactory to the Company. The managing underwriter or underwriters shall be deemed to be reasonably satisfactory to the Company unless the Company sends a written notice of objection to counsel to

the Selling Holders within ten days of receipt of notice from the Selling Holders of the appointment of a managing underwriter or underwriters. No person may participate in any underwritten registration hereunder unless such person (a) agrees to sell such person's securities on the basis provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements and this Agreement.

(f) In such event, if the managing underwriter or underwriters of such offering advise the Company and the Selling Holders in writing that in their opinion the aggregate amount of Registrable Securities requested to be included in such offering is sufficiently large to materially and adversely affect the success of such offering, the Company will include in such registration the aggregate number of Registrable Securities which in the opinion of such managing underwriter or underwriters can be sold without any such material adverse effect, and such amount shall be allocated pro rata among the Selling Holders of Registrable Securities on the basis of the amount of Registrable Securities requested to be included in such registration by each such Selling Holder.

(g) If, after a prior Demand Registration has been consummated pursuant to the terms of this Agreement, the Company shall have received a notice for a Demand Registration, whether or not a registration statement with respect thereto has been filed or has become effective, and the Company furnishes to the Selling Holders a copy of a resolution of the Board of Directors of the Company certified by the Secretary of the Company stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement (i) to be filed on or before the date such filing would otherwise be required hereunder, or (ii) to become effective because such action (A) would materially interfere with a significant acquisition, corporate reorganization or other similar transaction involving the Company, (B) would require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential, or (C) the Company is unable to comply with requirements of the Commission, the Company shall have the right, but not more than once with respect to any notice for a Demand Registration, to defer such filing or effectiveness for such period as may be reasonably necessary (which period shall not, in any event, exceed 90 days from the date of the notice is received by the Company).

2.3. Limitations on Subsequent Registration Rights.

(a) The Company represents and warrants to the Purchasers that the registration rights granted to HES hereby do not conflict with any other registration rights granted by the Company.

(b) The Company shall not, after the date hereof, grant any registration rights (1) until the earlier of (i) 90 days after a Shelf Registration has become effective or (ii) HES or its affiliates is the Holder of less than 1,000,000 Registrable Securities or (2) that conflict with or impair the registration rights granted hereby.

2.4. Expenses of Registration.

All Registration Expenses incurred in connection with the registrations pursuant to Section 2.1 and Section 2.2 shall be borne by the Company.

2.5. Registration Procedures.

In the case of each registration, qualification or compliance effected by the Company pursuant to this Agreement, the Company will keep each Holder advised in writing as to the initiation of each registration, qualification and compliance and as to the completion thereof. At its expense the Company will:

(a) Prior to filing a registration statement or prospectus or any amendments or supplements thereto, furnish to each Selling Holder and counsel selected by the Selling Holders of a majority in number of shares of the Registrable Securities covered by such registration statement copies of all such documents proposed to be filed, which documents will be subject to the review of such counsel;

(b) As soon as reasonably possible, furnish to each Selling Holder such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits thereto), the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as such Selling Holder may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Selling Holder; and

(c) After the filing of the registration statement, promptly notify each Selling Holder of Registrable Securities covered by such registration statement of any stop order issued or threatened by the Commission and take all reasonable actions required to prevent the entry of such stop order or to remove it if entered;

(d) Prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such registration statement;

(e) Notify each Selling Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and at the request of any such Selling Holder, prepare and furnish to such Selling Holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or

necessary to make the statements therein not misleading in the light of the circumstances then existing;

(f) Cause all such Registrable Securities registered pursuant hereto to be listed on each securities exchange or quoted on a quotation system on which similar securities issued by the Company are then listed or quoted;

(g) Provide a transfer agent and registrar for all Registrable Securities registered pursuant to such registration statement and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) Use its best efforts to comply with all applicable rules and regulations of the Commission, and make available to its securities holders, as soon as reasonably practicable, an earnings statement covering the period of at least 12 months, but not more than 18 months, beginning with the first month after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act;

(i) Enter into customary agreements (including an underwriting agreement in customary form if such distribution is made in connection with an underwritten offering described in Section 2.2(e) or 2.2(f)) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities;

(j) Make available for inspection by any Selling Holder of such Registrable Securities, any underwriter participating in any disposition pursuant to such registration statement, and any attorney, accountant or other professional retained by any such Selling Holder or underwriter (collectively, the "Inspectors"), all financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries (collectively, the "Records") as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's and its subsidiaries' officers, directors and employees to supply all information reasonably requested by any such Inspector in connection with such registration statement; provided that the Company may require the Inspectors (i) to conduct their investigation in a manner that does not unreasonably disrupt the Company's operations and (ii) to execute such reasonable confidentiality agreements as the Company may reasonably determine to be advisable; and

(k) If requested by Selling Holders of at least 50% of the Registrable Securities that are being registered in an underwritten registration, furnish to each prospective Selling Holder a signed counterpart of a "comfort" letter signed by the independent public accountants who have certified the Company's financial statements included in the registration statement, covering substantially the same matters with respect to the registration statement (and the prospectus included therein) and with respect to events subsequent to the date of the financial statements, as are customarily covered (at the time of such registration and closing) in "comfort" letters delivered to the underwriters in underwritten public offerings of securities.

2.6. Indemnification.

(a) In the event of a registration of any Registrable Securities under the Securities Act pursuant to this Agreement, to the extent permitted by law, the Company will indemnify each Selling Holder, each of its officers and directors, partners and representatives and each Person controlling such Selling Holder within the meaning of Section 15 of the Securities Act, with respect to which registration, qualification or compliance has been effected pursuant to this Agreement, and each underwriter, if any, and each Person who controls any underwriter within the meaning of Section 15 of the Securities Act, against all expenses, claims, losses, damages or liabilities, including any of the foregoing incurred in settlement of any litigation, commenced or threatened, arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any registration statement or prospectus, or any amendment or supplement thereto under which such Registrable Securities were registered under the Securities Act pursuant to this Agreement, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein, not misleading, or any violation by the Company of the Securities Act or any rule or regulation promulgated under the Securities Act applicable to the Company in connection with any such registration, pursuant to which such Registrable Securities were registered under the Securities Act pursuant to this Agreement, and the Company will reimburse each such Selling Holder, each of its officers and directors, partners and representatives and each Person controlling such Selling Holder, each such underwriter and each Person who controls any such underwriter, for any legal and any other expenses reasonably incurred by them in connection with investigating, preparing, settling or defending any such claim, loss, damage, liability or action, provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability, action or expense arises out of or is based on any untrue statement or omission or alleged untrue statement or omission, made in reliance upon and in conformity with written information furnished to the Company by such Selling Holder, controlling Person or underwriter and stated to be specifically for use therein. Notwithstanding the foregoing, insofar as the foregoing indemnity relates to any such untrue statement (or alleged untrue statement) or omission (or alleged omission) made in the preliminary prospectus but eliminated or remedied in the amended prospectus on file with the Commission at the time the registration statement becomes effective or in the final prospectus filed with the Commission pursuant to Rule 424(b) of the Commission, the indemnity agreement herein shall not inure to the benefit of any Selling Holder or underwriter if a copy of the final prospectus filed pursuant to Rule 424(b) was not furnished to the Person or entity asserting the loss, liability, claim or damage at or prior to the time such furnishing is required by the Securities Act.

(b) To the extent permitted by law, each Selling Holder will, if Registrable Securities held by such Selling Holder are included in the securities as to which such registration, qualification or compliance is being effected, indemnify the Company, each of its directors, officers and representatives, each underwriter, if any, of the Company's securities covered by such a registration statement, each Person who controls the Company or such underwriter within the meaning of Section 15 of the Securities Act, and each other such Selling Holder, each of its officers and directors and each Person controlling such Selling Holder within the meaning of Section 15 of the Securities Act, against all expenses, claims, losses, damages or liabilities arising out of or based on any untrue statement (or alleged untrue statement) of a material fact

contained in any such registration statement or prospectus, or any amendment or supplement thereto, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Company, such Selling Holders, such directors, officers, representatives, Persons, underwriters or control Persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such expense, claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement or prospectus, or any amendment or supplement thereto, in reliance upon and in conformity with written information furnished to the Company by such Selling Holder and stated to be specifically for use therein. Notwithstanding the foregoing, the liability of each Selling Holder under this subsection (b) shall be limited in an amount equal to the net proceeds from the sale of the Registrable Securities sold by such Selling Holder. In addition, insofar as the foregoing indemnity relates to any such untrue statement (or alleged untrue statement) or omission (or alleged omission) made in the preliminary prospectus but eliminated or remedied in the amended prospectus on file with the Commission at the time the registration statement becomes effective or in the final prospectus filed pursuant to Rule 424(b) of the Commission, the indemnity agreement herein shall not inure to the benefit of the Company, any underwriter or (if there is no underwriter) any Selling Holder if a copy of the final prospectus filed pursuant to Rule 424(b) was not furnished to the Person or entity asserting the loss, liability, claim or damage at or prior to the time such furnishing is required by the Securities Act.

(c) Each party entitled to indemnification under this Section 2.6 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom, provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld), and the Indemnified Party may participate in such defense at such party's expense, and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Agreement unless the failure to give such notice is materially prejudicial to an Indemnifying Party's ability to defend such action and provided further, that the Indemnifying Party shall not assume the defense for matters as to which there is a conflict of interest or separate and different defenses. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. No Indemnified Party shall consent to entry of any judgment or enter into any settlement without the consent of each Indemnifying Party (which consent shall not be unreasonably withheld). Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with defense of such claim and litigation resulting therefrom.

(d) If the indemnification provided for in this Section 2.6 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any losses, claims, damages, expenses or liabilities referred to therein, then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages, expenses or liabilities in such proportion as is appropriate to reflect the relative fault of the Company on the one hand and each Selling Holder offering securities in the offering on the other in connection with the statements or omissions which resulted in such losses, claims, damages, expenses or liabilities, as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and each Selling Holder on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by a Selling Holder and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Selling Holders agree that it would not be just and equitable if contribution pursuant to this Section 2.6(d) were based solely upon the number of entities from whom contribution was requested or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 2.6(d). The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages, expenses and liabilities referred to above in this Section 2.6(d) shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim, subject to the provisions of Section 2.6(c) hereof. Notwithstanding the provisions of this Section 2.6(d), no Selling Holder shall be required to contribute any amount or make any other payments under this Agreement which in the aggregate exceed the proceeds received by such Selling Holder. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in any underwriting agreement entered into in connection with an underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

2.7. Certain Agreements of Holders.

(a) The Selling Holder(s) included in any registration shall furnish to the Company such information regarding such Selling Holder(s), the Registrable Securities and the distribution proposed by such Selling Holder(s), as shall be reasonably required in connection with any registration, qualification or compliance referred to in Section 2.

(b) The failure of any Selling Holder(s) to be included in a registration to furnish the information requested pursuant to Section 2.7(a) shall not affect the obligation of the Company under Section 2 to the remaining Selling Holder(s) who furnish such information unless, in the reasonable opinion of counsel to the Company or the underwriters, such failure impairs or may impair the legality of the registration statement or the underlying offering.

(c) Each Selling Holder agrees that, upon receipt of any notice from the Company of the happening of any event requiring the preparation of a supplement or amendment to a prospectus relating to Registrable Securities so that, as thereafter delivered to such Selling Holder, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, each Selling Holder will forthwith discontinue disposition of Registrable Securities pursuant to the registration statements contemplated by this Agreement until its receipt of copies of the supplemented or amended prospectus from the Company and, if so directed by the Company, each Selling Holder shall deliver to the Company all copies, other than permanent file copies then in such Selling Holder's possession, of the prospectus covering such Registrable Securities that is current at the time of receipt of such notice.

(d) Each Selling Holder agrees to notify the Company, at any time when a prospectus relating to the registration statement contemplated by this Agreement is required to be delivered by it under the Act, of the occurrence of any event relating to such Selling Holder which requires the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing relating to such Selling Holder, and such Selling Holder shall promptly make available to the Company information necessary to enable the Company to prepare any such supplement or amendment. Each Selling Holder agrees not to take any action with respect to any distribution deemed to be made pursuant to such registration statement that conflicts with the plan of distribution contained in such registration statement or constitutes a violation of Section 10(b) under the Exchange Act or any other applicable rule, regulation or law.

(e) Each Selling Holder acknowledges and agrees that in the event of sales under a shelf registration statement pursuant to this Agreement, (1) the Registrable Securities sold pursuant to such registration statement are not transferable on the books of the Company unless the share certificate submitted to the transfer agent evidencing such Registrable Securities is accompanied by a certificate reasonably satisfactory to the Company to the effect that (A) the Registrable Securities have been sold in accordance with such registration statement and (B) the requirement of delivering a current prospectus has been satisfied.

2.8. Rule 144 Reporting.

With a view to making available the benefits of certain rules and regulations of the Commission which may at any time permit the sale of the Restricted Securities to the public without registration, the Company agrees to use its best lawful efforts to:

(a) Make and keep public information regarding the Company available, as those terms are understood and defined in Rule 144 under the Securities Act, at all times from and after the Closing Date.

(b) File with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act;

(c) So long as a Holder owns any Restricted Securities, furnish to such Holder forthwith upon request a written statement by the Company as to its compliance with the reporting requirements of said Rule 144, and of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents of the Company and other information in the possession of or reasonably obtainable by the Company as a Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing such Holder to sell any such securities without registration.

2.9. Transfer of Registration Rights.

The rights granted to a Holder under Section 2 may be assigned to a transferee or assignee in connection with any transfer or assignment of Registrable Securities by a Holder provided that: (i) such transfer is effected in accordance with applicable securities laws, (ii) such assignee or transferee acquires at least the lesser of (a) one-half of the number of Registrable Securities originally held by the Holder that owned such Registrable Securities on the date hereof and (b) Registrable Securities consisting of 300,000 shares of Common Stock (subject to appropriate adjustment for any stock splits, dividends, subdivisions, combinations, recapitalizations and the like), (iii) the Holder notifies the Company in writing of the transfer or assignment, stating the name and the address of the transferee or assignee and identifying the Registrable Securities with respect to which such registration rights are being transferred or assigned, and (iv) the assignee or transferee agrees in writing to be bound by the provisions of this Agreement.

2.10. Termination of Registration Rights.

The registration rights granted pursuant to this Agreement shall terminate as to any Holder at such time as such Holder may sell under Rule 144(k) all Registrable Securities then held by such Holder.

Section 3. Miscellaneous.

3.1. GOVERNING LAW.

THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS BY THE LAWS OF THE STATE OF NEW YORK (WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAWS EXCEPT TO THE EXTENT THAT THE NEW YORK CONFLICTS OF LAWS PRINCIPLES WOULD APPLY THE APPLICABLE LAWS OF THE STATE OF DELAWARE TO INTERNAL MATTERS RELATING TO CORPORATIONS THEREUNDER).

3.2. Successor and Assigns.

Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

3.3. Entire Agreement; Amendment.

This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subject hereof and supersedes all prior agreements regarding registration rights between the Company and HES. Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought; provided, however, that any provisions hereof may be amended, waived, discharged or terminated upon the written consent of the Company and the Holders representing at least a majority of the then outstanding Registrable Securities; and provided further, that any such amendment, waiver, discharge or termination that would adversely affect in any material respect the rights hereunder of any Holder, in its capacity as such, without similarly affecting the rights hereunder of all of the Holders may not be made without the prior written consent of such adversely affected Holder.

3.4. Notices

All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, or otherwise delivered by hand or by messenger, including Federal Express or similar overnight courier service, or by facsimile transmission addressed (a) if to HES, to Halliburton Energy Services, Inc., 10002 Bellaire Boulevard, Houston, Texas 77072, Attn: General Counsel; telefax number (281) 575-5499, or at such other address as HES shall have furnished to the Company in writing, or (b) if to the Company, to National-Oilwell, Inc., 10000 Richmond Avenue, Houston, Texas 77042, Attn: Dwight W. Rettig, General Counsel; telefax number (713) 346-7995, or at such other address as the Company shall have furnished to HES.

Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given when delivered if delivered personally, or, if sent by mail, at the earlier of its receipt or five days after the same has been deposited in a regularly maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or, if sent by courier, on the next business day following the day of dispatch or sent by facsimile transmission, on the date of such transmission if confirmation of such transmission is received.

3.5. Delays or Omissions.

Except as expressly provided herein, no delay or omission to exercise any right, power or remedy accruing to any party upon any breach or default of another party under this Agreement shall impair any such right, power or remedy of such party that is not in breach or

default nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

3.6. Severability.

In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided that no such severability shall be effective if it materially changes the economic benefit of this Agreement to any party.

3.7. Titles and Subtitles.

The titles and subtitles used in this Agreement are used for convenience only and are not considered in construing or interpreting this Agreement.

3.8. Gender.

As used herein, masculine pronouns shall include the feminine and neuter, neuter pronouns shall include the masculine and the feminine.

3.9. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the undersigned or each of their
respective duly authorized officers or representatives have executed this
Agreement effective upon the date first set forth above.

"COMPANY"

NATIONAL-OILWELL, INC.

By: /s/ Steven W. Krablin

Name: Steven W. Krablin
Title: Vice President and Chief
Financial Officer

"HES"

HALLIBURTON ENERGY SERVICES, INC.

By: /s/ Mike Weberpal

Name: Mike Weberpal
Title: Attorney in Fact

[Registration Rights Agreement]

[BRACEWELL & PATTERSON, L.L.P. LETTERHEAD]

January 23, 2003

National-Oilwell, Inc.
10000 Richmond
Houston, Texas 77042

Ladies and Gentlemen:

We have acted as counsel to National-Oilwell, Inc., a Delaware corporation (the "Company"), in connection with the preparation and filing of a Registration Statement on Form S-3 (the "Registration Statement") with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act of 1933, as amended (the "Securities Act"), relating to the sale by a selling stockholder of up to 3,200,000 shares of common stock, par value \$.01 per share (the "Shares"), of the Company.

We have examined originals or copies certified by officers of the Company of (a) the Amended and Restated Certificate of Incorporation of the Company; (b) the By-laws of the Company, as amended to date; (c) certified copies of certain resolutions adopted by the Board of Directors of the Company; and (d) such other documents and records as we have deemed necessary and relevant for the purposes hereof. In addition, we have relied on certificates of officers of the Company and of public officials and others as to certain matters of fact relating to this opinion and have made such investigations of law as we have deemed necessary and relevant as a basis hereof. We have assumed the genuineness of all signatures, the authenticity of all documents and records submitted to us as originals, the conformity to authentic original documents and records of all documents and records submitted to us as copies, and the truthfulness of all statements of fact contained therein.

Based on the foregoing, subject to the limitations, assumptions and qualifications set forth herein, and having due regard for such legal considerations as we deem relevant, we are of the opinion that:

1. The Company is validly existing and in good standing as a corporation under the laws of the State of Delaware.
2. The Shares have been duly and validly authorized and issued and are fully paid and nonassessable.

National-Oilwell, Inc.

January 23, 2003

Page 2

The foregoing opinion is based on and limited to the General Corporation Law of the State of Delaware and the relevant law of the United States of America, and we render no opinion with respect to the law of any other jurisdiction.

We hereby consent to the filing of this opinion with the Commission as Exhibit 5 to the Registration Statement and to the references to our firm under the heading "Legal Matters" in the Prospectus included in the Registration Statement. By giving such consent, we do not admit that we are experts with respect to any part of the Registration Statement, including this Exhibit, within the meaning of the term "expert" as used in the Securities Act or the rules and regulations thereunder.

Very truly yours,

/s/ Bracewell & Patterson, L.L.P.

Bracewell & Patterson, L.L.P.

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Experts" in the Registration Statement on Form S-3 and the related Prospectus of National-Oilwell, Inc. for the registration of up to 3,200,000 shares its common stock and to the incorporation by reference therein of our report dated February 8, 2002, with respect to the consolidated financial statements of National-Oilwell, Inc. included in its Annual Report on Form 10-K for the year ended December 31, 2001, filed with the Securities and Exchange Commission.

/s/ ERNST & YOUNG LLP

Ernst & Young LLP

Houston, Texas
January 21, 2002

Independent Auditors Consent

We consent to the incorporation by reference in the registration statement on Form S-3 of National Oilwell, Inc. of our report dated March 8, 2000 with respect to the consolidated statements of operations, shareholders' equity and comprehensive income and cash flows of IRI International Corporation and Subsidiaries for the year ended December 31, 1999 , which report is filed as an exhibit to the Registration Statement on Form S-3 of National Oilwell, Inc.

KPMG LLP

Houston, Texas
January 22, 2003