

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Annual Return/Report of Employee Benefit Plan</div> <div>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 07/30/2009	
A	This return/report is for: <div><div>☐ a multiemployer plan;</div><div>☒ a single-employer plan;</div><div>☐ a multiple-employer plan; or</div><div>☐ a DFE (specify) ____</div></div>
B	This return/report is: <div><div>☐ the first return/report;</div><div>☒ the final return/report;</div><div>☒ an amended return/report;</div><div>☒ a short plan year return/report (less than 12 months).</div></div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div><div>☒ Form 5558;</div><div>☐ automatic extension;</div><div>☐ the DFVC program;</div><div>☐ special extension (enter description)</div></div>

Part II	Basic Plan Information—enter all requested information
1a	Name of plan SPIRIT DRILLING FLUIDS GP, LLC 401K PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 01/01/2003
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) SPIRIT DRILLING FLUIDS GP, LLC 4310 N. SAM HOUSTON PKWY E HOUSTON, TX 77032
2b	Employer Identification Number (EIN) 01-0694161
2c	Sponsor's telephone number 713-482-0500
2d	Business code (see instructions) 211110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	11/19/2010	PETE HORN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	11/19/2010	PETE HORN
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") SPIRIT DRILLING FLUIDS GP, LLC 4310 N. SAM HOUSTON PKWY E HOUSTON, TX 77032	3b Administrator's EIN 01-0694161 3c Administrator's telephone number 713-482-0500
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	152
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	0
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	0
d Subtotal. Add lines 6a , 6b , and 6c	6d	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☐ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☐ **C** (Service Provider Information)
 (5) ☐ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 07/30/2009		
A Name of plan SPIRIT DRILLING FLUIDS GP, LLC 401K PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 SPIRIT DRILLING FLUIDS GP, LLC	D Employer Identification Number (EIN) 01-0694161	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	316593	0
(2) U.S. Government securities.....	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	187116	0
(9) Value of interest in common/collective trusts.....	1c(9)	0	0
(10) Value of interest in pooled separate accounts.....	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	1828177	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	2331886	0

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	2331886	0
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	224108	
(B) Participants	2a(1)(B)	322104	
(C) Others (including rollovers)	2a(1)(C)	47875	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		594087

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	32226	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		32226
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		328877
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		955190

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	144261	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		144261
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	27	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		27
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		144288

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		810902
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		3142788

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: RIDOUT, BARRETT & CO., P.C.

(2) EIN: 74-2619624

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☒ Yes ☐ No Amount: 0

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
NATIONAL OILWELL VARCO, INC. 401(K) AND RETIREMENT SAVINGS PLAN	76-0488987	001

SPIRIT DRILLING FLUIDS GP, LLC 401(K) PLAN

AUDITED FINANCIAL STATEMENTS

**FOR THE SEVEN MONTHS ENDED JULY 31, 2009 AND
THE YEAR ENDED DECEMBER 31, 2008**

HOUSTON, TEXAS

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Ridout, Barrett & Co., P.C.
Certified Public Accountants

Anthony S. Ridout CPA
Milton G. Barrett CPA

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Fax: 829-4634

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
the Spirit Drilling Fluids GP, LLC 401(k) Plan

We were engaged to audit the financial statements of the Spirit Drilling Fluids GP, LLC 401(k) Plan as of July 31, 2009 and December 31, 2008, and for the seven months ended July 31, 2009 and the supplementary schedule as of and for the seven months ended July 31, 2009 as listed in the accompanying index. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Capital Bank and Trust, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the seven months ended July 31, 2009 and the year ended December 31, 2008 and that information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Ridout, Barrett & Co., P.C.

January 25, 2010

**SPIRIT DRILLING FLUIDS GP, LLC 401(k) PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
JULY 31, 2009 AND DECEMBER 31, 2008**

ASSETS	July 31, 2009	December 31, 2008
Cash	\$ -	\$ 316,593
Investments (at fair value)	-	1,828,177
Employer contribution receivable	-	13,660
Participant loans receivable	<u>-</u>	<u>187,116</u>
TOTAL ASSETS AND NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ -</u></u>	<u><u>\$ 2,345,546</u></u>

**SPIRIT DRILLING FLUIDS GP, LLC 401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE SEVEN MONTHS ENDED JULY 31, 2009**

ADDITIONS

Additions to net assets attributed to:

Investment income:

Interest	\$ 32,226
Net appreciation in fair value of investments	328,877

Contributions:

Participants	322,104
Employer	210,448
Rollover	<u>47,875</u>

TOTAL ADDITIONS	<u>941,530</u>
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DEDUCTIONS

Deductions from net assets attributed to:

Participant withdrawals	144,261
Administration expenses	27
Transfer of Plan assets due to merger, cash	3,024,760
Transfer of Plan assets due to merger, loan principal	117,613
Transfer of Plan assets due to merger, loan interest	<u>415</u>

TOTAL DEDUCTIONS	3,287,076
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NET DECREASE	(2,345,546)
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NET ASSETS AVAILABLE FOR BENEFITS

Beginning of year	<u>2,345,546</u>
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END OF YEAR	<u><u>\$ -0-</u></u>
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SPIRIT DRILLING FLUIDS GP, LLC 401(k) PLAN
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN

The following description of the Spirit Drilling Fluids GP, LLC 401(k) Plan (the “Spirit Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

Merger. On May 27, 2009, the sole director of NOW Oilfield Services, Inc. (“NOW”, the sponsor), acting as general partner of National Oilwell Varco, L.P. (“NOV”) approved the merger of the Spirit Plan and its related trust into the National Oilwell Varco, Inc. 401(k) and Retirement Savings Plan (the “NOV Plan”) and its related trust. Effective August 1, 2009, the sponsor removed Capital Bank and Trust as trustee of the Spirit Trust and appointed Wachovia Bank, N.A. as the successor trustee. As a result, all investments in mutual funds and participant loans were transferred from the Spirit Plan into the NOV Plan on that date.

All further descriptions of the Plan and significant accounting policies refer to the Plan prior to the merger.

General. The Plan is a defined contribution plan covering all full-time employees of the Company. There are no age or service requirements to participate in the Plan as all conditions to participate are met on employment commencement date. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions. Participants may contribute up to a predefined amount set by the Internal Revenue Service each year. For 2009, the maximum amount allowed was \$16,500. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. For 2009, this amount could not exceed \$5,500. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers a selection of 24 mutual fund investment options. The Company has elected to make safe harbor matching contributions with respect to eligible participants’ section 401(k) deferrals and/or employee after-tax contributions. Accordingly, 100% of applicable contributions up to the first 3% of included compensation (as defined in the Plan), plus 50% of applicable contributions up to the next 2% of included contributions will be matched by the employer. Compensation as defined in the Plan includes W-2 wages less fringe benefits, expense reimbursements, deferred compensation, and welfare benefits. Additional discretionary matching contributions may be made and will be a dollar amount or percentage of included compensation that is uniformly determined by the employer for all eligible participants. Contributions are subject to certain limitations. The Company has historically not made additional discretionary contributions to the Plan and did not make a contribution in 2009.

**SPIRIT DRILLING FLUIDS GP, LLC 401(k) PLAN
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – DESCRIPTION OF PLAN (continued)

Participant Accounts. Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting. Participants are immediately vested in their contributions and the Company's safe harbor matching contributions plus actual earnings thereon. Vesting in the Company's discretionary contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after four years of credited service.

Participant Loans. Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. The loans are secured by the balance in the participants' accounts and bear interest at rates ranging from 5% to 9.25%, which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest is paid ratably through semi-monthly payroll deductions.

Payment of Benefits. On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or monthly, quarterly, semi-annual, or annual installments over a period of not more than the participant's life expectancy. However, if the vested benefit is less than \$5,000, it will be distributed in a single lump-sum payment.

Forfeited Accounts. At July 31, 2009 and December 31, 2008, there were no forfeited nonvested accounts. If there were forfeitures, they would be used to reduce employer matching contributions in the same Plan year in which the forfeitures occur.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

**SPIRIT DRILLING FLUIDS GP, LLC 401(k) PLAN
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits

Benefits are recorded when paid.

Operating Expenses

All expenses of maintaining the Plan are paid by the Company.

NOTE 3 – FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefit.

		Fair Value Measurement Using:	
		Quoted Prices in Active Markets for Identical Assets	Significant Unobservable Inputs
	<u>Fair Value</u>	<u>(Level 1)</u>	<u>(Level 3)</u>
<u>July 31, 2009</u>			
Cash	\$ -0-	\$ -0-	\$ -0-
Mutual funds	-0-	-0-	-0-
Participant loans	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

		Fair Value Measurement Using:	
		Quoted Prices in Active Markets for Identical Assets	Significant Unobservable Inputs
	<u>Fair Value</u>	<u>(Level 1)</u>	<u>(Level 3)</u>
<u>December 31, 2008</u>			
Cash	\$ 316,593	\$ 316,593	\$ -0-
Mutual funds	1,828,177	1,828,177	-0-
Participant loans	<u>187,116</u>	<u>-0-</u>	<u>187,116</u>
Total	<u>\$ 2,331,886</u>	<u>\$ 2,144,770</u>	<u>\$ 187,116</u>

**SPIRIT DRILLING FLUIDS GP, LLC 401(k) PLAN
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 3 – FAIR VALUE MEASUREMENTS (continued)

The financial statements reflect the adoption of Statement on Financial Accounting Standards No. 157 (SFAS No. 157), *Fair Value Measurements*. SFAS No. 157 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 inputs were available to the Plan, and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end.

Level 3 Fair Value Measurements

Participant loans are not actively traded and significant other observable inputs are not available. Thus, the fair value of participant loans is equal to the amortized cost of the loans because the loans are secured by each respective participant's account balance. The following table provides further details of the Level 3 fair value measurements.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

	Participant Loans	
	<u>July 31, 2009</u>	<u>December 31, 2008</u>
Beginning balance	\$ 187,116	\$ 87,910
Purchases, sales, issuances, and settlements (net)	<u>(187,116)</u>	<u>99,206</u>
Ending balance	<u>\$ -</u>	<u>\$ 187,116</u>

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the seven months ended July 31, 2009 are reported in net appreciation in fair value of investments.

SPIRIT DRILLING FLUIDS GP, LLC 401(k) PLAN
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 – INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets.

	<u>July 31, 2009</u>	<u>December 31, 2008</u>
American Funds Growth Fund of America, -0- and 9,731 shares, respectively	\$ -	\$ 195,115
AllianceBernstein Intl Value, -0- and 12,251 shares, respectively	-	123,124
American Funds Capital World Growth & Income, -0- and 7,999 shares, respectively	-	210,701
American Funds Fundamental Investors, -0- and 9,094 shares, respectively	-	246,515
American Funds Capital Income Builders, -0- and 4,187 shares, respectively	-	173,879
American Funds Income Fund of America, -0- and 10,814 shares, respectively	-	140,475
American Funds Bond Fund of America, -0- and 21,135 shares, respectively	-	227,413
American Funds High Income Trust, -0- and 16,387 shares, respectively	-	128,150
American Funds Cash Management Trust, -0- and 316,593 shares, respectively	<u>-</u>	<u>316,593</u>
	<u>\$ -</u>	<u>\$ 1,761,965</u>

**NOTE 5 – INFORMATION PREPARED AND CERTIFIED BY TRUSTEE
(UNAUDITED)**

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the trustee.

	<u>2009</u>	<u>2008</u>
Mutual funds (at fair value)	\$ -	\$ 2,144,770
Participant loans receivable	-	187,116

**SPIRIT DRILLING FLUIDS GP, LLC 401(k) PLAN
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 6 – RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at July 31, 2009 and December 31, 2008 to Schedule H of Form 5500:

	<u>2009</u>	<u>2008</u>
Net assets available for benefits per financial statements	\$ -	\$ 2,345,546
Employer contributions receivable at July 31, 2009 and December 31, 2008, respectively	<u>-</u>	<u>(13,660)</u>
Net assets available for benefits per Schedule H of Form 5500	<u>\$ -</u>	<u>\$ 2,331,886</u>

All amounts allocated to withdrawing participants recorded on the Schedule H of Form 5500 for benefit claims have been paid as of July 31, 2009 and December 31, 2008, respectively.

NOTE 7 – TAX STATUS

The Internal Revenue Service has determined and informed Spirit by a letter dated May 28, 2002, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. As further described in Note 1, the Spirit Plan was merged into the NOV Plan effective August 1, 2009. The merger is intended to comply with section 414(l) of the Internal Revenue Code of 1986, as amended (the "Code"), and is intended to satisfy the exception to filing IRS Form 5310-A. Upon the merger, the NOV Plan will be a single plan within the meaning of section 414(l) of the Code. If the Internal Revenue Service does not approve the merger of the Spirit Plan into the NOV Plan, the Spirit Plan assets that were transferred to the NOV Plan and NOV trust, respectively, will revert back to a separate plan and trust established by NOV that are similar to the Spirit Plan and Spirit Trust, each as in effect on the merger date, to be held pursuant to the terms of the new plan and trust, each as amended, and the requirements of the law.

NOTE 8 – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

SUPPLEMENTAL SCHEDULE
SPIRIT DRILLING FLUIDS GP, LLC 401(K) PLAN
EIN: 01-0694161
PLAN NUMBER: 001
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF PERIOD)
JULY 31, 2009

(a)	(b)	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity date	(d) Cost	(e) Current Value
	American Funds	American Funds Growth Fund of America, -0- shares		\$ -
	American Funds	American Funds Money Market Fund, -0- shares		-
	American Funds	American Funds New World Fund, -0- shares		-
	American Funds	AllianceBernstein Intl Value, -0- shares		-
	American Funds	Templeton Global Smaller Company, -0- shares		-
	American Funds	American Funds American Mutual Fund, -0- shares		-
	American Funds	American Funds Capital World Growth & Income, -0- shares		-
	American Funds	American Funds Fundamental Investors, -0- shares		-
	American Funds	American Funds Washington Mutual Fund, -0- shares		-
	American Funds	Mutual Beacon, -0- shares		-
	American Funds	American Funds Capital Income Builder, -0- shares		-
	American Funds	American Funds Income Fund of America, -0- shares		-
	American Funds	American Funds Bond Fund of America, -0- shares		-
	American Funds	American Funds Capital World Bond, -0- shares		-
	American Funds	American Funds High Income Trust		-
	American Funds	American Funds Cash Management Trust, -0- shares		-
	American Funds	American Funds 2010 Target Date Fund, -0- shares		-
	American Funds	American Funds 2015 Target Date Fund, -0- shares		-
	American Funds	American Funds 2020 Target Date Fund, -0- shares		-
	American Funds	American Funds 2025 Target Date Fund, -0- shares		-
	American Funds	American Funds 2030 Target Date Fund, -0- shares		-
	American Funds	American Funds 2035 Target Date Fund, -0- shares		-
	American Funds	American Funds 2040 Target Date Fund, -0- shares		-
	American Funds	American Funds 2045 Target Date Fund, -0- shares		-
	American Funds	American Funds 2050 Target Date Fund, -0- shares		-
	Participant Loans	5% to 9.25%		-
				<u>\$ -</u>

Note: Column (a) is blank as there were no parties-in-interest.

Column (d) is blank as all investments are participant directed.