Baker Hughes Incorporated

Letter of Transmittal
Pursuant to
Offer to Purchase for Cash

Up to $1,000,000,000 Combined Aggregate Principal Amount of Its or Its Subsidiary's
6.000% Senior Notes due 2018
7.500% Senior Notes due 2018
3.200% Senior Notes due 2021
8.550% Debentures due 2024
6.875% Notes due 2029
and
5.125% Senior Notes due 2040
In the Priority Set Forth in the Offer to Purchase

This Letter of Transmittal relates to the offer by Baker Hughes Incorporated (the "Company") to purchase for cash (the "Offer") up to $1,000,000,000 combined aggregate principal amount (the "Maximum Tender Amount") of its or its subsidiary's 6.000% Senior Notes due 2018 (the "2018 6.000% Notes"), 7.500% Senior Notes due 2018 (the "2018 7.500% Notes," and together with the 2018 6.000% Notes, the "2018 Notes"), 3.200% Senior Notes due 2021 (the "2021 Notes"), 8.550% Debentures due 2024 (the "2024 Notes"), 6.875% Notes due 2029 (the "2029 Notes") and 5.125% Senior Notes due 2040 (the "2040 Notes") upon the terms and subject to the conditions set forth in the Offer to Purchase of the Company (and any amendments or supplements to the foregoing) dated May 25, 2016 (the "Offer to Purchase") and this Letter of Transmittal. The 2018 6.000% Notes were issued by Western Atlas Inc., a subsidiary of the Company, as ultimate successor to BJ Services Company, and are fully and unconditionally guaranteed by the Company. The 2024 Notes were issued by Western Atlas Inc. We refer to the 2018 Notes, 2021 Notes, 2024 Notes, 2029 Notes and 2040 Notes collectively as the "Notes." The Offer is open to all holders (individually, a "Holder," collectively, the "Holders") of the Notes. Capitalized terms used but not defined in this Letter of Transmittal have the respective meanings ascribed to them in the Offer to Purchase. This Letter of Transmittal need not be completed by Holders tendering Notes through DTC's Automated Tender Offer Program ("ATOP").

The Offer will expire at midnight, New York City time, at the end of June 22, 2016, or any other date and time to which the Company extends the Offer (such date and time, as it may be extended, the "Expiration Date"), unless earlier terminated. You must validly tender your Notes on or prior to 5:00 p.m., New York City time, on June 8, 2016 (such date and time, as it may be extended, the "Early Tender Date") to be eligible to receive the applicable Total Consideration (as defined below), which includes an Early Tender Premium of $30 per $1,000 principal amount of Notes accepted for purchase pursuant to the Offer. If you tender your Notes following the Early Tender Date but on or prior to the Expiration Date, you will be eligible to receive only the applicable Tender Offer Consideration, which is an amount equal to the applicable Total Consideration minus the Early Tender Premium.

Notes may be withdrawn on or prior to, but not after, 5:00 p.m. New York City time, on June 8, 2016 (such date and time, as may be extended with respect to any series of Notes, the "Withdrawal Deadline"). The Offer is subject to the satisfaction or waiver of certain conditions described in the Company's Offer to Purchase under the heading "The Terms of the Offer—Conditions to the Offer.

The Tender Agent for the Offer is:

Global Bondholder Services Corporation

By Regular, Registered or Certified Mail;
Hand or Overnight Delivery:
65 Broadway, Suite 404
New York, New York 10006
Attention: Corporate Actions

By Facsimile Transmission:
(212) 430-3775 (for eligible institutions only)
To confirm receipt of facsimile by telephone:
(212) 430-3774

Delivery of this Letter of Transmittal to an address, or transmission of this Letter of Transmittal via facsimile to a number, other than as set forth above, will not constitute a valid delivery to the Tender Agent. The instructions accompanying this Letter of Transmittal should be read carefully and in their entirety before it is completed.

Any questions concerning the terms of the Offer may be directed to the Lead Dealer Managers at the addresses and telephone numbers on the back cover of this Letter of Transmittal. Questions and requests for assistance or for additional copies of the Offer to Purchase, this Letter of Transmittal or other related materials may be directed to the Tender Agent, whose address and telephone numbers appear on the front and back covers of this Letter of Transmittal.

The undersigned acknowledges receipt of the Offer to Purchase and this Letter of Transmittal, which together constitute the Offer. The Offer is made upon the terms and subject to the conditions set forth in the Offer to Purchase and this Letter of Transmittal. The consideration payable by the Company for the Notes is set forth in the Offer to Purchase.

All of the Notes are held in book-entry form and registered in the name of Cede & Co., as the nominee of DTC. This Letter of Transmittal is to be used by Holders of Notes if delivery of such Notes is to be made by book-entry transfer to the account maintained by the Tender Agent at the Depository Trust Company ("DTC") pursuant to the procedures set forth in the Offer to Purchase under "The Terms of the Offer—Procedure for Tendering Notes—Book Entry Delivery and Tender of Notes Through ATOP" and instructions are not being transmitted through the DTC Automated Tender Offer Program ("ATOP"). Holders that are tendering by book-entry transfer to the Tender Agent's account at DTC can execute the tender through ATOP, for which the Offer will be eligible, pursuant to the procedures set forth in the Offer to Purchase under "The Terms of the Offer—Procedure for Tendering Notes—Book Entry Delivery and Tender of Notes Through ATOP."

DTC participants that are accepting the Offer through ATOP may transmit their acceptance of the Offer to DTC, which will verify the acceptance and execute a book-entry delivery to the Tender Agent's account at DTC. DTC will then send an "agent's message" (as defined in the Offer to Purchase) to the Tender Agent for its acceptance. Delivery of the agent's message by DTC means that DTC has received an express acknowledgment from each DTC participant tendering through ATOP that such DTC participant has received and agrees to be bound by the terms of the Offer as set forth in the Offer to Purchase and this Letter of Transmittal and that the Company may enforce such agreement against such participant.

If you validly tender your Notes on or prior to the Withdrawal Deadline, you may validly withdraw those tendered Notes at any time on or prior to the Withdrawal Deadline. After such time, you may not withdraw your Notes except in certain limited circumstances where additional withdrawal rights are required by law (as determined by the Company in its sole discretion). In the event of a termination of the Offer, Notes tendered pursuant to the Offer will be promptly returned. Notes tendered pursuant to the Offer and not purchased due to the priority acceptance procedures, proration or a defect in the tender will be returned to the tendering Holders promptly following the Expiration Date.

Holders of Notes who wish to be eligible to receive the applicable Total Consideration, which includes the Early Tender Premium, and any Accrued Interest, as set forth in the Offer to Purchase, must validly tender and not validly withdraw their Notes to the Tender Agent on or prior to the Early Tender Date. Holders who validly tender their Notes following the Early Tender Date but on or prior to the Expiration Date, and whose Notes are accepted for purchase, will receive only the Tender Offer Consideration (which does not include an Early Tender Premium), and any Accrued Interest, as set forth in the Offer to Purchase.

In the event the Offer is terminated, withdrawn or otherwise not completed, none of the Total Consideration or Tender Offer Consideration will be paid or become payable and any tendered Notes will be promptly returned to the tendering Holders.

Neither the Offer to Purchase nor this Letter of Transmittal constitutes an offer to purchase Notes in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities or "blue sky" laws. The delivery of this Letter of Transmittal shall not under any circumstances create any implication that the information contained herein is correct as of any time

subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or in the affairs of the Company or any of its subsidiaries or affiliates since the date hereof. The Company disclaims any obligation to update or revise any information contained in the Offer to Purchase or this Letter of Transmittal.

TENDER OF NOTES

The Notes to which this Letter of Transmittal relates are listed below. Notes of a given series may be tendered only in principal amounts equal to the authorized denominations of such series of Notes, as set forth in the following table. Holders who tender less than all of their Notes must continue to hold Notes in at least the minimum authorized denomination for the applicable series of Notes.

Title of Security	CUSIP Number	Minimum Denomination	Multiple Denomination
6.000% Senior Notes due 2018	055482 AJ2	$1,000	$1,000
7.500% Senior Notes due 2018	057224 AY3	$2,000	$1,000
3.200% Senior Notes due 2021	057224 BC0	$2,000	$1,000
8.550% Debentures due 2024	957674 AD6	$1,000	$1,000
6.875% Notes due 2029	057224 AK3	$1,000	$1,000
5.125% Senior Notes due 2040	057224 AZ0	$2,000	$1,000

No alternative, conditional or contingent tenders will be accepted. **This form need not be completed by Holders tendering Notes through ATOP.**

Description of the Notes Tendered			
Name of DTC Participant and Participant's DTC Account Number in which USD Notes Are Held (Please Fill in if Blank)	**Note**	**Aggregate Principal Amount Represented***	**Aggregate Principal Amount Tendered***
	6.000% Senior Notes due 2018 (CUSIP No. 055482 AJ2)		
	7.500% Senior Notes due 2018 (CUSIP No. 057224 AY3)		
	3.200% Senior Notes due 2021 (CUSIP No. 057224 BC0)		
	8.550% Debentures due 2024 (CUSIP No. 957674 AD6)		
	6.875% Notes due 2029 (CUSIP No. 057224 AK3)		
	5.125% Senior Notes due 2040 (CUSIP No. 057224 AZ0)		

* Unless otherwise indicated in the column labeled "Aggregate principal amount tendered" and subject to the terms and conditions of the Offer to Purchase, a holder will be deemed to have tendered with respect to the entire aggregate principal amount represented by the Notes indicated in the column labeled "Aggregate principal amount represented."

☐ CHECK HERE IF TENDERED NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE TENDER AGENT WITH DTC AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN DTC MAY DELIVER NOTES BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution: _____

DTC Accounting Number: _____

Transaction Code Number: _____

Principal Amount Tendered: _____

Date Tendered: _____

The undersigned authorizes the Tender Agent to deliver this Letter of Transmittal to the Company as evidence of the undersigned's tender of Notes.

NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

The undersigned hereby tenders to the Company the aggregate principal amount of Notes indicated in this Letter of Transmittal upon the terms and subject to the conditions set forth in this Letter of Transmittal and the Offer to Purchase, receipt of which is hereby acknowledged.

Subject to, and effective upon, acceptance for purchase of, and payment for, Notes tendered herewith in accordance with the terms of the Offer to Purchase (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), the undersigned hereby (a) irrevocably sells, assigns and transfers to, or upon the order of, the Company, all right, title and interest in and to all Notes that are being tendered hereby, (b) waives any and all other rights with respect to the Notes (including, without limitation, any existing or past defaults and their consequences in respect of the Notes and the Indenture under which the Notes were issued), (c) releases and discharges the Company and the trustees with respect to the Notes from any and all claims such Holder may have now, or may have in the future, arising out of, or related to, the Notes, including, without limitation, any claims that such Holder is entitled to receive additional principal or interest payments with respect to the Notes or to participate in any repurchase, redemption or defeasance of the Notes and (d) irrevocably constitutes and appoints the Tender Agent as the true and lawful agent and attorney-in-fact of such Holder (with full knowledge that the Tender Agent also acts as the agent of the Company) with respect to any such tendered Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (i) deliver certificates representing such Notes, or transfer ownership of such Notes on the account books maintained by DTC, together, in any such case, with all accompanying evidences of transfer and authenticity, to the Company, (ii) present such Notes for transfer on the relevant security register and (iii) receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes (except that the Tender Agent will have no rights to, or control over, funds from the Company, except as agent for tendering Holders, for the Total Consideration or Tender Offer Consideration, plus any Accrued Interest, for any tendered Notes that are purchased by the Company).

The undersigned understands that Notes tendered on or prior to the applicable Withdrawal Deadline may be withdrawn by written notice of withdrawal (or a properly transmitted "Request Message" through ATOP) received by the Tender Agent at any time on or prior to the applicable Withdrawal Deadline, but not thereafter, unless the Offer is terminated without any Notes being purchased thereunder. Notes tendered after the Withdrawal Deadline may not be withdrawn. The Company reserves the right, subject to applicable law, with respect to the Notes to (a) extend the Tender Offer Price Determination Date, Early Tender Date, Withdrawal Deadline or Expiration Date to a later date and time as announced by the Company; (b) increase or decrease the Maximum Tender Amount; (c) waive any or all conditions to the Offer; or (d) at any time prior to the satisfaction of the conditions set forth in the Offer to Purchase under "—Conditions to the Offer," terminate or otherwise amend the Offer in any respect and return the tendered Notes, in each case by giving written notice of such amendment or termination to the Tender Agent. Any amendment to the Offer will apply to all Notes tendered in the Offer, except for amendments that apply only to a specified series of Notes. The Company will publicly announce any such extension, amendment or termination in the manner described under "—Announcements." There can be no assurance that the Company will exercise its right to extend, terminate or amend the Offer. See "—Early Tender Date; Expiration Date; Extension; Termination and Amendment" in the Offer to Purchase. In the event of termination of the Offer, any Notes tendered pursuant to the terminated Offer will be returned to the tendering Holder promptly.

The undersigned hereby represents and warrants that the undersigned (i) owns the Notes tendered and is entitled to tender such Notes and (ii) has full power and authority to tender, sell, assign and transfer the Notes tendered hereby and that, when the same are accepted for purchase by the Company, the Company will acquire good, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances, and the same will not be subject to any adverse claim. The undersigned will, upon request, execute and deliver any additional documents deemed by the Tender Agent or the Company to be necessary or desirable to complete the sale, assignment and transfer of the Notes tendered hereby.

No authority herein conferred or agreed to be conferred shall be affected by, and all such authority shall survive, the death or incapacity of the undersigned. All obligations of the undersigned hereunder shall be binding upon the heirs, personal and legal representatives, administrators, trustees in bankruptcy, successors and assigns of the undersigned.

The undersigned understands that tender of the Notes pursuant to any of the procedures described under the caption "The Terms of the Offer—Procedure for Tendering Notes" in the Offer to Purchase and in the instructions hereto will constitute a binding agreement between the undersigned and the Company upon the terms and subject to the conditions set forth in the Offer to Purchase. The undersigned recognizes that the Company is not, nor will it be, required to accept for purchase any of the Notes tendered hereby.

For purposes of the Offer, the undersigned understands that the Company will be deemed to have accepted for purchase validly tendered Notes (or defectively tendered Notes with respect to which the Company has waived such defect or defects) only if, as and when the Company gives oral (promptly confirmed in writing) or written notice thereof to the Tender Agent. Payment for Notes accepted for purchase pursuant to the Offer to Purchase will be made by deposit with DTC of the applicable Total Consideration or Tender Offer Consideration and all Accrued Interest thereon. The undersigned hereby irrevocably appoints DTC to act as agent for the purpose of receiving payment from the Company and transmitting such payment to the undersigned.

The undersigned understands that the delivery and surrender of Notes is not effective, and the risk of loss of the Notes does not pass to the Tender Agent, until receipt by the Tender Agent of this Letter of Transmittal, or a facsimile hereof, properly completed and duly executed, together with all accompanying evidences of transfer and authenticity and any other required documents in a form satisfactory to the Company.

The undersigned hereby recognizes and acknowledges that (i) all questions as to the validity, form, eligibility (including time of receipt) and acceptance for purchase of Notes will be resolved by the Company, in its sole discretion, whose determination will be final and binding, (ii) the Company reserves the absolute right, in its sole discretion, to reject any or all tenders of Notes that are not in proper form or the acceptance of which may, in the Company's opinion, be unlawful, (iii) the Company reserves the absolute right to waive any condition to the Offer and any irregularities or conditions of tender as to particular Notes, (iv) the Company's interpretation of the terms and conditions of the Offer to Purchase (including, without limitation, the instructions in this Letter of Transmittal) will be final and binding, (v) unless waived, any defects or irregularities in connection with tenders of Notes must be cured within such time as the Company shall determine, (vi) none of the Company, the Tender Agent, the trustees with respect to the Notes, the Dealer Managers or any other person shall be under any duty to give notification of defects or irregularities in such tenders of Notes and shall not incur any liabilities to Holders for failure to give such notification, (vii) tenders of Notes will not be deemed to have been made until all such defects and irregularities have been waived by the Company or cured, (viii) any Notes received by the Tender Agent that are not validly tendered and as to which the irregularities have not been cured or waived will be returned by the Tender Agent to the tendering Holder, unless otherwise provided in this Letter of Transmittal, as soon as practicable following the Expiration Date, and (ix) the consummation of the Offer is conditioned upon, among other things, certain events as described under the caption "The Terms of the Offer—Conditions to the Offer" in the Offer to Purchase.

Unless otherwise indicated herein under "Special Payment Instructions," the undersigned hereby requests that checks constituting payments for Notes purchased in connection with the Offer be issued to the order of the undersigned. Similarly, unless otherwise indicated herein under "Special Delivery Instructions," the undersigned hereby requests that any Notes representing principal amounts not accepted for purchase in connection with the Offer be credited to the DTC account designated above. In the event that the "Special Payment Instructions" box or the "Special Delivery Instructions" box, or both, are completed, the undersigned hereby requests that checks constituting payments for Notes purchased in connection with the Offer or any Notes representing principal amounts not accepted for purchase be issued in the name of, and be delivered to the person(s) at the address(es) so indicated or returned to the account so designated, as applicable. The undersigned recognizes that the Company has no obligation pursuant to the "Special Payment Instructions" box or the "Special Delivery Instructions" box to transfer any Notes from the names of the registered Holder(s) thereof if the Company does not accept for purchase any of the principal amount of such Notes so tendered.

SPECIAL PAYMENT INSTRUCTIONS
(See Instructions 2, 3, 4 and 6)

To be completed ONLY if the check for the Total Consideration or Tender Offer Consideration and Accrued Interest, of the Notes purchased, are to be issued to the order of someone other than the person or persons whose signature(s) appear within this Letter of Transmittal.

Issue: ☐ Checks

Name_____
(Please Print)

Address_____
(Include Zip Code)

_____
(Tax Identification Number)
(see Guidelines for Certificate of Taxpayer Identification Number on IRS Form W-9)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 2, 3, 4 and 6)

To be completed ONLY if the Notes delivered by book-entry transfer that are not accepted for purchase are to be credited to an account maintained at DTC other than the one designated above.

☐ Credit unpurchased Notes by book-entry to the DTC account set forth below:

_____
(DTC Account Number)

Name of Account Party:

_____

IMPORTANT–READ CAREFULLY

DTC participants must execute this Letter of Transmittal exactly as their names appear on a DTC position listing. If this Letter of Transmittal is signed by an attorney-in-fact, officer of a corporation, trustee, executor, administrator, guardian or other person acting in a fiduciary or representative capacity, such person should so indicate when signing and must submit proper evidence satisfactory to the Company of such person's authority to so act.

SIGN HERE

_____

_____

Signature of Holder(s) or Authorized Signatory

Dated:_____, 2016

Name(s): _____

(Please Print)

Capacity:_____

Address: _____

(including zip code)

Area Code and Telephone No.:_____

Social Security or Tax Identification No:_____

PLEASE COMPLETE IRS FORM W-9 OR APPLICABLE FORM W-8 AS APPROPRIATE

SIGNATURE GUARANTEE
(See Instructions 1 and 3 below)
If required, Certain Signatures must be Guaranteed.

_____

(Name of Institution Guaranteeing Signatures)

_____

(Address [including zip code] and Telephone Number [including area code] of Institution)

_____

(Authorized Signature)

_____

(Printed Name)

_____

(Title)

Dated:_____, 2016

INSTRUCTIONS FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. **Delivery of this Letter of Transmittal; Withdrawal of Tenders**. This Letter of Transmittal is to be completed by Holders if tender of the Notes is to be made by book-entry transfer to the Tender Agent's account at DTC pursuant to the procedures set forth under "The Terms of the Offer – Procedure for Tendering Notes" in the Offer to Purchase, and instructions are not being transmitted through ATOP. A confirmation of a book-entry transfer into the Tender Agent's account at DTC of all Notes delivered electronically, as well as a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) or a properly transmitted "agent's message" and any other required documents, must be received by the Tender Agent at its address set forth herein on or before the Expiration Date (or the Early Tender Date if the Holder wishes to be eligible to receive the Total Consideration). Delivery of the documents to DTC does not constitute delivery to the Tender Agent. **This Letter of Transmittal and any other documents required in connection with this Letter of Transmittal should be sent only to the Tender Agent, and not to the Company, the Dealer Managers or the trustees with respect to the Notes.**

There are no guaranteed delivery procedures provided for by the Company in conjunction with the Offer under the terms of the Offer to Purchase. Holders must tender their Notes in accordance with the procedures set forth in the Offer to Purchase.

Confirmation of book-entry transfer into the Tender Agent's account at DTC of all Notes tendered electronically must be received by the Tender Agent on or prior to the Early Tender Date or Expiration Date, as applicable (accompanied by the appropriate, properly completed and duly executed Letter of Transmittal and any required signature guarantees and other documents required by this Letter of Transmittal, or an agent's message). Payment for Notes will be made only against deposit of tendered Notes and delivery of all other required documents.

By executing this Letter of Transmittal (or a facsimile thereof) or tendering through ATOP, a tendering Holder waives any right to receive any notice of the acceptance for purchase of tendered Notes.

For a full description of the procedures for tendering Notes, see "The Terms of the Offer–Procedure for Tendering Notes" in the Offer to Purchase.

Any Notes validly tendered on or prior to the Withdrawal Deadline may be validly withdrawn at any time on or prior to the Withdrawal Deadline, but not thereafter, unless the Offer is terminated without any Notes being purchased thereunder. Notes validly tendered after the Withdrawal Deadline may not be withdrawn.

Holders who wish to exercise their right of withdrawal with respect to the Offer must give written notice of withdrawal, delivered by mail, hand delivery or manually signed facsimile transmission, or a properly transmitted "Request Message" through ATOP, which notice must be received by the Tender Agent at its address set forth on the back cover of this Letter of Transmittal on or prior to the Withdrawal Deadline or at such other permissible times as are described herein. In order to be valid, a notice of withdrawal must specify the name of the person who deposited the Notes to be withdrawn (the "Depositor"), the name of the participant whose name appears on the security position listing as the owner of such Notes, if different from that of the Depositor, and the principal amount of Notes to be withdrawn. The name and number of the account to be credited by book-entry transfer with withdrawn Notes also must be furnished to the Tender Agent as aforesaid prior to the release of the withdrawn Notes. The notice of withdrawal (other than a notice transmitted through ATOP) must be signed by the Holder in the same manner as this Letter of Transmittal (including, in any case, any required signature guarantee(s)) or be accompanied by evidence satisfactory to the Company that the person withdrawing the tender has the legal authority to withdraw such tender on behalf of the Holder. Holders may not rescind withdrawals of tendered Notes. However, validly withdrawn Notes may be re-tendered by following the procedures therefor described elsewhere in the Offer to Purchase at any time on or prior to the Expiration Date.

2. Partial Tenders. If less than the entire principal amount of any Notes owned by a Holder are tendered, the tendering Holder must fill in the principal amount tendered in the appropriate column of the box entitled "Description of Notes Tendered" herein. Unless otherwise indicated, the entire principal amount of Notes delivered to the Tender Agent will be deemed to have been tendered. If the entire principal amount of all Notes is not tendered, the principal amount of Notes not tendered will be returned by credit to the name and number of the account to the Holder unless otherwise provided in the appropriate box on this Letter of Transmittal (see Instruction 4), promptly after the Notes are accepted for purchase.

3. **Signatures on this Letter of Transmittal, Bond Powers and Guarantee of Signatures.** If this Letter of Transmittal is signed by the Holder(s) of the Notes tendered hereby, the signature(s) must correspond exactly with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any change whatsoever.

If this Letter of Transmittal is executed by a Holder of Notes who is not the registered Holder, then the registered Holder must sign a valid power of attorney, with the signature of such registered Holder guaranteed by a member firm of a registered national securities exchange, a member of the Financial Industry Regulatory Authority, Inc. or a commercial bank or trust company having an office or correspondent in the United States (each of the foregoing, an "Eligible Institution").

If any Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal. If any tendered Notes are registered in different names on several certificates, it will be necessary to complete, sign and submit as many copies of this Letter of Transmittal and any necessary accompanying documents as there are different names in which certificates are held.

No signature guarantee is required if: (i) this Letter of Transmittal is signed by the registered Holder(s) of the Notes tendered herewith and the payments for Notes to be purchased are to be made, or any Notes for principal amounts not tendered for purchase are to be issued, directly to such registered Holder(s) and neither the "Special Payment Instructions" box nor the "Special Delivery Instructions" box of this Letter of Transmittal has been completed or (ii) such Notes are tendered for the account of an Eligible Institution. In all other cases, all signatures on Letters of Transmittal accompanying Notes must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, agents or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Company of their authority so to act must be submitted with this Letter of Transmittal.

4. Special Issuance and Special Delivery Instructions. Tendering Holders should indicate in the applicable box or boxes the name(s) and address(es) to which checks constituting payments for Notes to be purchased in connection with the Offer are to be issued or sent, if different from the name(s) and address(es) of the Holder signing this Letter of Transmittal. If no instructions are given, checks will be sent to the Holder of the Notes tendered. Holders may request that Notes not accepted for payment be credited to such account maintained at DTC as such Holder(s) may designate in the box captioned "Special Delivery Instructions." If no such instructions are given, such Notes not accepted for purchase will be returned by crediting the account at DTC designated above.

5. Taxpayer Identification Number and IRS Form W-9 or IRS Form W-8. Under current U.S. federal income tax law, a tendering holder may be subject to information reporting and backup withholding (currently at a 28% rate) with respect to payments made pursuant to the Offer. To avoid backup withholding, each tendering holder of Notes that is a U.S. Holder (as defined in the section of the Offer to Purchase entitled "Certain United States Federal Income Tax Considerations") must complete and return to the Tender Agent an IRS Form W-9 (or applicable substitute form), certifying that such U.S. Holder is a U.S. person, that the taxpayer identification number ("TIN") provided is correct, and that such U.S. Holder is not subject to backup withholding. A U.S. Holder must cross out item (2) in Part II of IRS Form W-9 if such U.S. Holder is subject to backup withholding. Failure to provide the correct information on IRS Form W-9 may subject the tendering U.S. Holder to penalties, and any payments made to such person with respect to the Notes may be subject to backup withholding. Backup withholding is not an additional tax; any amount so withheld may be credited against the U.S. Holder's U.S. federal income tax liability. If backup withholding results in an overpayment of U.S. federal income taxes, a refund may be obtained from the IRS, provided that the required information is timely furnished to the IRS. For information concerning backup withholding and instructions for completing IRS Form W-9, consult the instructions to IRS Form W-9. Each tendering Non- U.S. Holder (as defined in the section of the Offer to Purchase entitled "Certain United States Federal Income Tax Considerations") should not complete the IRS Form W-9, but should instead submit to the Tender Agent the appropriate completed IRS Form W-8 (Form W-8BEN, Form W-8BEN-E, Form W-8ECI or Form W-8IMY) or applicable substitute form to avoid backup withholding. The appropriate IRS forms may be obtained via the Internal Revenue Service website at www.irs.gov or by contacting the Tender Agent at the address on the back cover of this Letter of Transmittal.

6. Transfer Taxes. The Company will pay all transfer taxes, if any, payable on the purchase and transfer of Notes purchased pursuant to the Offer. If, however, Notes not validly tendered are to be registered or issued in the

name of any person other than the registered Holder of the Notes tendered hereby, or if tendered Notes are registered in the name of any person other than the person signing this Letter of Transmittal, or if a transfer tax is imposed for any reason other than the transfer of Notes to the Company or its order pursuant to the Offer, the amount of any such transfer taxes (whether imposed on the registered Holder or any other persons), will be payable by the tendering Holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted herewith, the amount of such transfer taxes will be billed directly to such tendering Holder.

7. Determination of Validity. All questions as to the validity, form, eligibility (including the time of receipt) and acceptance for purchase of any tenders of Notes pursuant to the procedures described in the Offer to Purchase and this Letter of Transmittal will be determined by the Company, in its sole discretion, which determination shall be final and binding on all parties. The Company reserves the absolute right, in its sole discretion, to reject any or all tenders of Notes determined by it not to be in proper form or the acceptance of which, in the Company's opinion, would be unlawful. The Company also reserves the absolute right to waive, in whole or in part, any of the conditions to the Offer and any defect or irregularity in the tender of any particular Notes. The Company's interpretations of the terms and conditions of the Offer (including, without limitation, the instructions in this Letter of Transmittal) shall be final and binding. No alternative, conditional or contingent tenders of Notes will be accepted. Unless waived, any defects or irregularities in connection with tenders of Notes must be cured within such time as the Company shall determine. None of the Company, the Tender Agent, the Dealer Managers, the trustees with respect to the Notes or any other person will be under any duty to give notification of any defects or irregularities in such tenders of Notes or will incur any liability to Holders for failure to give such notification. Tenders of such Notes shall not be deemed to have been made until all such defects and irregularities have been waived by the Company or cured. Any Notes received by the Tender Agent that are not properly tendered and as to which the defects and irregularities have not been cured or waived will be returned by the Tender Agent as promptly as practical following the Expiration Date, to the tendering Holders, unless such Holders have otherwise provided in accordance with Instruction 4.

8. Requests for Assistance or Additional Copies. Questions relating to the procedure for tendering Notes and requests for assistance or additional copies of the Offer to Purchase and this Letter of Transmittal may be directed to, and additional information about the Offer may be obtained from, Citigroup Global Markets Inc., HSBC Securities (USA) Inc. or J.P. Morgan Securities LLC, the Lead Dealer Managers for the Offer, or from Global Bondholder Services Corporation, the Information Agent and the Tender Agent (referred to herein as the "Tender Agent") for the Offer, whose addresses and telephone numbers appear on the back cover of this Letter of Transmittal. Requests for additional copies of the Offer to Purchase and this Letter of Transmittal may be obtained from the Tender Agent, whose address and telephone numbers appear on the back cover of this Letter of Transmittal.

Important: This Letter of Transmittal (or a facsimile thereof) properly completed and duly executed (together with any required signature guarantees or confirmations of book-entry transfer and all other required documents) must be received by the Tender Agent on or prior to the Expiration Date, or to be eligible to receive the Early Tender Premium, on or prior to the Early Tender Date.

NOTE: FAILURE TO COMPLETE AND RETURN THE FORM W-9 OR FORM W-8 MAY RESULT IN BACKUP WITHHOLDING OF A PORTION OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. IN ADDITION, FAILURE TO PROVIDE SUCH INFORMATION MAY RESULT IN A PENALTY IMPOSED BY THE IRS. PLEASE CONSULT YOUR TAX ADVISOR FOR ADDITIONAL DETAILS.

Any questions or requests for assistance or additional copies of the Offer to Purchase or this Letter of Transmittal may be directed to the Information Agent at the address or telephone numbers set forth below. You may also contact your broker, dealer, commercial bank or trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

Global Bondholder Services Corporation
65 Broadway, Suite 404
New York, New York 10006
Attention: Corporate Actions
Email: contact@gbsc-usa.com
http://www.gbsc-usa.com/BakerHughes/

Banks and Brokers Call: (212) 430-3774
Toll Free: (866) 924-2200
International call: 001-212-430-3774

If you need assistance with respect to the procedures for participating in the Offer, you should contact the Tender Agent at the address and telephone numbers set forth below.

The Tender Agent for the Offer is:

Global Bondholder Services Corporation

By Regular, Registered or Certified Mail; Hand or Overnight Delivery:
65 Broadway, Suite 404
New York, New York 10006
Attention: Corporate Actions
Email: contact@gbsc-usa.com
http://www.gbsc-usa.com/BakerHughes/

By Facsimile Transmission:
(212) 430-3775 (for eligible institutions only)
To confirm receipt of facsimile by telephone:
(212) 430-3774

Any questions regarding the terms of the Offer should be directed to the Lead Dealer Managers at the address and telephone numbers set forth below.

The Lead Dealer Managers for the Offer are:

Citigroup Global Markets Inc.
390 Greenwich Street, 1st Floor
New York, New York 10013
Attn: Liability Management Group
Toll free: (800) 558-3745
Collect: (212) 723-6106

HSBC Securities (USA) Inc.
452 Fifth Avenue
New York, New York 10018
Attn: Liability Management Group
Toll free: (888) HSBC-4LM
Collect: (212) 525-5552

J.P. Morgan Securities LLC
383 Madison Avenue, 3rd Floor
New York, New York 10179
Attn: Liability Management Group
Toll free: (866) 834-4666
Collect: (212) 834-4811

The Co-Dealer Managers for the Offer are:

Mitsubishi UFJ Securities (USA), Inc.

Wells Fargo Securities LLC