

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LIBERTY ENERGY, INC. AND LIBERTY ENERGY SERVICES LLC
Petitioner,

v.

U.S. WELL SERVICES, LLC
Patent Owner.

Case No. IPR2025-00031
Patent 10,655,435

**PETITIONERS' RESPONSE TO
PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW**

Petitioners file this response to Patent Owner’s Request for Director Review (the “Request”). As an initial matter, the Director should not consider the Request, because it relies primarily on facts arising after the Institution Decision (ID). PO argues, despite not clearly identifying the basis for the Request, that the Board abused its discretion or erred in its factual findings. *See, e.g.*, Paper 11, 1, 9. But the stay order and schedule revisions in the parallel litigation both occurred after the ID. Paper 11, 6, 10. PO nowhere explains (nor can it) how the Board abused its discretion or otherwise erred by failing to consider facts that were never before it.¹ *See Apple, Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (“*Fintiv*”), 9-10 (PTAB Mar. 20, 2020) (limiting Board review to “at the time of the institution decision”). And even if the Director considers facts arising after the ID, the *Fintiv* factors still favor institution.

Factor 1: PO claims that Factor 1—which the Board found neutral—instead supports denial because a motion to stay the parallel litigation was subsequently denied. Paper 11, 6-9. But PO omits the most relevant part of the stay order, denying the stay “at this time” and allowing defendants to “re-urge their Motion for Stay”

¹ PO claims that the Director should consider “post-ID developments” based on *Virtual Agility v. Salesforce.com*, but that decision addressed a district court’s discretion to delay ruling on a stay decision. 759 F.3d 1307, 1317 (Fed. Cir. 2014). It is not applicable to the legal standard for Director Review.

after “a decision on IPR as to all Asserted Patents.” *See U.S. Well Servs., LLC v. Liberty Energy, Inc.*, No. 4:24-CV-00839 (the “*Parallel Litigation*”), Dkt. 104 (S.D. Tex. May 9, 2025). Even if the Director considers the subsequent stay order, it shows a willingness to consider a re-urged motion to stay, and Factor 1 weighs against denial. *See Fintiv*, 6-7 (stating that when court “has denied a motion for stay without prejudice” and will “reconsider a motion to stay if a PTAB trial is instituted,” that fact “weighed against” denying institution); *LG Energy Sol’ns Ltd. v. Molecular Rebar Dsn., LLC*, IPR2024-01006, Paper 8, 36-37 (PTAB Dec. 16, 2024); *Google LLC v. Mullen Ind. LLC*, IPR2025-00019, Paper 14, 9-10 (PTAB May 12, 2025).

And the decision PO cites does not favor denial here. In it, the Board found Factor 1 favored denial when the district court permanently denied a stay—requested based on patents that had faced numerous failed IPR petitions—and made clear that it would not reconsider. *Samsung Electrs. Co., Ltd. v. Cal. Inst. of Tech.*, IPR2023-00130, Paper 10, 15-16 (PTAB May 4, 2023); *Cal. Inst. of Tech. v. Samsung Electrs. Co., Ltd.*, No. 2:21-CV-00446-JRG, Dkt. 108 (E.D. Tex. Jan. 20, 2023).

Factor 2: PO argues that the Director should review Factor 2—which the Board found slightly favored denial—because the February 2, 2026 trial date had not moved. PO characterizes the revised scheduling order as having an agreed, firm trial date. Paper 11, 10. But this is not true. First, the revised schedule includes interim amendments while the parties await the Markman Ruling on which

subsequent case deadlines are based.² Second, as evidence of its fluidity, the Court has since moved the trial date to March 30, 2026 at the earliest. *Parallel Litigation*, Dkt. 107 (S.D. Tex. May 13, 2025).³ PO mistakenly relied on an outdated schedule.

Moreover, the trial date will likely slip further. The current schedule depends on the Markman Ruling issuing June 11, and the Markman Ruling is likely many weeks away. The Magistrate has not even issued her Markman Report and Recommendation, and PO recently submitted over 100 exhibits in supplemental Markman briefing that the Magistrate must consider. *See Parallel Litigation*. Once the Magistrate issues her recommendation, the parties have up to 28 days for objections before the court considers entering a final Markman Ruling. Fed. R. Civ. P. 72. And the revised schedule invites further amendments if the Markman Ruling is delayed. *Parallel Litigation*, Dkt. 107 at 2 (S.D. Tex. May 13, 2025). PO also does not address the Board's reliance on current time-to-trial statistics, which place the parallel trial in November 2026, over six months *after* the expected FWD date. Paper 9, 12; *Amazon.com Inc. et al. v. NL Giken Inc.*, IPR2025-00250, Paper 14 (May 16, 2025) (Director finding FWD likely to issue before trial based on time-to-trial

² While PO wants the Director to rely on a schedule revised after the ID, PO opposed Petitioners' request to file an email showing the revision's interim nature. EX3101.

³ If the Director reviews facts arising after the ID, it should review those most recent.

statistics). In sum, PO's Request relies on an outdated schedule, and in view of ongoing delays in the district court, Factor 2 weighs against denial. *See Fintiv*, 9.

Factor 3: PO claims that the Board "erred" in weighing Factor 3 against denial. Paper 11, 11; Paper 9, 12-14. PO makes much of the Markman hearing falling the day after the ID (Paper 11, 11 n.6), but the ID expressly considered the Markman hearing date (Paper 9, 11). *See also Fintiv*, 9-10 (analyzing Factor 3 "at the time of the institution decision"). PO does not address the Board's analysis, citing *Fintiv*, that "the Court has not issued any other significant rulings" and "Petitioner was reasonably diligent in filing the Petition." Paper 9, 14-15. The Board consistently grants institution in similar settings. *Kia Corp. v. Emerging Auto. LLC*, IPR2024-01167, Paper 14, 14-16 (PTAB Jan. 27, 2025) (instituting with Markman hearing upcoming and fact discovery still open); *Samsung Electrs. Co., LTD. v. Empire Tech. Dev. LLC*, IPR2024-01167, Paper 15, 13-16 (PTAB Dec. 13, 2024) (same); *Ericsson Inc. v. XR Comm'ns LLC*, IPR2024-00868, Paper 8, 30 (PTAB Dec. 13, 2024). Moreover, the Board carefully reviewed the most recent precedent for Factor 3, the Director's *Motorola* decision, and found it concerned parallel litigation in much later stages. Paper 9, 18-19. PO has not shown the Board erred on the facts or law, or abused its discretion in applying *Fintiv* precedent. This factor still favors institution.

Factor 4: PO does not challenge the Board's findings for Factor 4 but implies that the effect of Petitioner's *Sotera* stipulation is now "questionable." *See* Paper 11,

14 n.7. This mere speculation contradicts clear precedent. *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12, 18-19 (PTAB Dec. 1, 2020). And the *Ingenico* decision PO cites is inapt: Petitioner does not rely on any patents from the Petition to establish public-use, on-sale, or known-or-used-by-others defenses in district court. Ex. 2007. Petitioners' *Sotera* stipulation remains highly relevant under current USPTO Guidance, and Factor 4 favors institution.

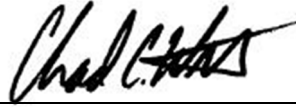
Factor 6: PO claims Factor 6 favors denial, because the merits are allegedly a “close call.” Paper 11, 13. But the Board never found the merits a “close call,” and instead found Factor 6 neutral. Paper 9, 16-17. In fact, the Board only agreed with PO on a single limitation—the “processing devices” limitation (1[e][i])—for the *Omont* reference in Ground 3, and this is a limitation the Board found disclosed in *Norris* in Grounds 1-2 and 4-5.⁴ See Paper 9, 25-26 (stating in ID that “Patent Owner does not oppose” *Norris*’s disclosure of limitation 1[e][i]). If the Board erred at all in evaluating the merits, it erred in failing to consider that PO did not address the Petition’s additional reliance on *Norris*’s disclosure of limitation 1[e][i] in Ground 3. Petition, 14-16, 31-33, 42, 44; Paper 7, 4.

PO has not shown that the Board erred or abused its discretion. Recent district court delays instead favor institution all the more.

⁴ PO did not challenge *Norris*’s disclosure of limitation 1[e][i]. Paper 6, §§VI-VII.

Respectfully submitted,

BAKER BOTTS L.L.P.

A handwritten signature in black ink, appearing to read "Chad C. Walters", is positioned above a horizontal line.

Chad C. Walters (Reg. No. 48,022)
Lead Counsel for Petitioner

Date: May 21, 2025

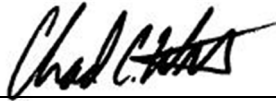
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CERTIFICATE OF SERVICE

In accordance with 37 C.F.R. § 42.6(e), the undersigned certifies that on the 21st day of May 2025, a complete and entire copy of this **PETITIONERS' RESPONSE TO PATENT OWNER'S REQUEST FOR DIRECTOR REVIEW** were served on Patent Owner via electronic mail at the following addresses:

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