

ENTERED

May 09, 2025

Nathan Ochsner, Clerk

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISIONU.S. WELL SERVICES, LLC §
U.S. WELL SERVICES, LLC, PROFRAC §
MANUFACTURING, LLC, PROFRAC §
SERVICES, LLC, §
Plaintiffs, §

v. §

CIVIL ACTION No. 4:24-CV-00839

LIBERTY ENERGY, INC., LIBERTY §
OILFIELD SERVICES LLC, LIBERTY §
ADVANCED EQUIPMENT §
TECHNOLOGIES LLC, ST9 GAS AND OIL §
LLC, ST9, INC. CHRIS BUCKLEY, AND §
PAUL LIGHTFOOT, §
Defendants. §**ORDER**

Before the Court in this patent infringement action is Defendants' Motion to Stay Pending *Inter Partes* Review.¹ Having reviewed the parties' submissions and the law, the Motion to Stay is DENIED at this time.²

¹ The District Judge referred this case to the undersigned Magistrate Judge pursuant to 28 U.S.C. § 636(b)(1)(A) and (B), the Cost and Delay Reduction Plan under the Civil Justice Reform Act, and Federal Rule of Civil Procedure 72. ECF 71.

² Also pending is Defendants' Motion to Dismiss Plaintiff's inequitable conduct claim (ECF 60), which is not addressed in this Order.

I. Procedural Background

Plaintiffs own four patents at issue in this case: Unites States Patent Nos. 10,598,258 (the “258 Patent”), 11,959,533 (the “533 Patent”), 10,655,435 (the “435 Patent”), and 11,208,878 (the “878 Patent”) (collectively the “Asserted Patents”). The Asserted Patents relate to systems and methods for performing hydraulic fracturing operations.

Plaintiffs filed an Original Complaint on March 6, 2024 asserting patent infringement and other claims against Liberty Energy, Inc., Liberty Oilfield Services, LCC, Liberty Advanced Equipment Technologies, LLC, and ST9 Gas and Oil LLC. ECF 1. Plaintiffs filed an Amended Complaint on June 3, 2024 (ECF 32) and a Second Amended Complaint on November 14, 2024. ECF 56. Plaintiffs’ Second Amended Complaint adds a claim for inequitable conduct under U.S. Patent laws against ST9, Inc., Chris Buckley, and Paul Lightfoot.³ ECF 56.

In accordance with the Court’s Scheduling Order, Plaintiffs were to serve Preliminary Infringement Contentions by July 18, 2024 and Defendants were to serve Preliminary Invalidity Contentions by September 19, 2024. ECF 30. Plaintiffs filed their Opening Claim Construction Brief on January 16, 2025 and Claim Construction briefing was complete on February 6, 2025. ECF 69; ECF 73; ECF

³ Defendant Paul Lightfoot has not yet appeared in this action.

75. Due to referral to this Magistrate Judge and scheduling issues, the *Markman* hearing was continued from February 20, 2025 to April 30, 2025. ECF 74; ECF 84. The parties' claim construction contentions are currently under consideration by the Court.

Defendants represent that they began filing requests with the Patent Trial and Appeal Board (PTAB) for *Inter Partes* Review (IPR) in September 2024 and filed their final request for IPR on November 20, 2024.⁴ ECF 81 at 8. On March 19, 2025, about four months after the last IPR request, after completion of claim construction briefing, and about a month after the originally scheduled date for the *Markman* hearing, Defendants filed the pending Motion to Stay, to which Plaintiffs are opposed. Defendants represent that the PTAB will or should make decisions about whether to grant IPR review on the Asserted Patents between April 30, 2025 and June, 17, 2025. ECF 81 at 9. To date, the parties have not informed the Court that the PTAB has granted Defendants' request for IPR as to any Asserted Patent.

II. Legal Standards

Courts have broad discretion to manage their dockets, including by granting or denying a stay of proceedings. *Murata Mach. USA v. Daifuku Co.*, 830 F.3d 1357,

⁴ Pursuant to 35 U.S.C. §311, a person who does not own a patent may file a petition with the PTAB to institute an *inter partes* review of the patent seeking to cancel as unpatentable 1 or more claim of the patent on the ground of prior art.

1362 (Fed. Cir. 2016) (citing *Procter & Gamble Co. v. Kraft Foods Global, Inc.*, 549 F.3d 842, 848-49 (Fed. Cir. 2008)); *see also C&M Oilfield Rentals, LLC v. Ensign US S. Drilling LLC*, No. 4:22-CV-965, 2023 WL 9007238, at *7 (S.D. Tex. Dec. 28, 2023) (stating “[t]he decision to stay a patent case pending reexamination is entirely in the Court's discretion.”).

District courts typically consider three factors when deciding whether a stay is appropriate: “(i) whether a stay would unduly prejudice or present a clear tactical disadvantage to the non-moving party; (ii) whether a stay will simplify the issues in question and trial of the case; and (iii) whether discovery is complete and whether a trial date has been set.” *Murata Mach. USA*, 830 F.3d at 1361 (citations omitted). However, other factors, such as the burden on the court and parties, may also be considered. *Id.*

III. Analysis

A. Prejudice to Plaintiff.

Plaintiffs’ interests in enforcing their patent rights, reducing the risk of losing evidence, and in avoiding harms that money damages cannot remedy weigh against a stay even though Plaintiff is not seeking a preliminary injunction. *C&M Oilfield Rentals, LLC*, 2023 WL 9007238, at *8. The Court is unpersuaded by Defendants’ argument that as much as a one-year delay in proceeding to trial in this case would

not prejudice Plaintiffs. Even if a stay of the patent infringement claims would not be prejudicial, the same is clearly not true of Plaintiffs non-patent claims.

B. Simplification of Issues.

If the PTAB grants review *and* invalidates any one of the four Asserted Patents at issue in this case, that decision would eliminate the patent infringement claim as to that particular patent. However, this consideration is entirely speculative because the PTAB has not and may not grant Defendants' applications for IPR. In addition, the PTAB's decision will not impact Plaintiff's breach of contract claim. *See C&M Oilfield Rentals, LLC*, 2023 WL 9007238, at *8 (finding the simplification factor weighed against a stay where additional issues, such as breach of contract, would remain to be litigated even if the IPR invalidated the patent). This factor weighs against a stay, at least until such time as the PTAB actually grants IPR.

C. Discovery and Trial.

Fact discovery in this case has not been completed and the discovery deadline is July 10, 2025. However, claim construction discovery and the *Markman* hearing have been completed. Trial is currently set for February 2, 2026. ECF 30. Whether this trial setting remains viable is unclear, but the trial setting is all but certain to be extended by several months if a stay is granted. This factor weighs against granting a stay.

D. Other factors.

The parties have already expended significant resources in the prosecution and defense of this case. The primary burden at this stage of the proceedings is not on the parties but on the Court to issue a claim construction ruling. A stay at this time may temporarily relieve the Court's burden, but it is speculative to think it will eliminate it completely. At some point, the parties will have to conduct discovery regarding the non-patent claims, so any relief gained from a stay would also be temporary.

In *Fairfield Indus. Inc. v. Seabed Geosolutions (US) Inc.*, No. CV H-17-1458, 2018 WL 6594013, at *1 (S.D. Tex. July 3, 2018), the district court denied defendant's motion to stay pending IPR explaining:

The standard practice in the federal courts in Texas, which the Court finds to be well-reasoned and an appropriate balance of the factors to be considered when deciding whether to stay proceedings pending IPR, is to deny a stay until the PTAB institutes IPR proceedings on any of the patents at issue in the case.

This Court agrees.

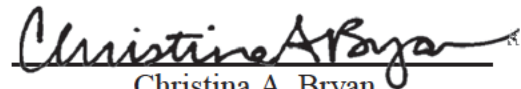
IV. Conclusion and Order

For the reasons discussed above, it is

ORDERED that Defendants' Motion for Stay Pending Inter Partes Review (ECF 81) is DENIED. It is further

ORDERED that Defendants must promptly notify the Court if IPR is granted as to any Asserted Patent. Defendants may re-urge their Motion for Stay at such time as a decision on IPR as to all Asserted Patents has been issued.

Signed on May 09, 2025, at Houston, Texas.


Christina A. Bryan
United States Magistrate Judge