

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

CANATEX COMPLETIONS
SOLUTIONS, INC.

Plaintiff,

v.

WELLMATICS, LLC, GR ENERGY
SERVICES, LLC, GR ENERGY
SERVICES MANAGEMENT, LP, AND
GR ENERGY SERVICES
OPERATING GP, LLC

Defendants.

§
§
§
§
§
§
§
§
§
§
§
§
§
§

CIVIL ACTION NO. 4:22-CV-3306

**PLAINTIFF CANATEX COMPLETIONS SOLUTIONS, INC.'S
ORIGINAL COMPLAINT**

Plaintiff Canatex Completions Solutions, Inc. (“Plaintiff” or “Canatex”) files this Original Complaint seeking preliminary and permanent injunctive relief and damages for patent infringement of U.S. Patent No. 10,794,122 (“the ‘122 Patent”) by Wellmatics, LLC (“Wellmatics”) and GR Energy Services, LLC, GR Energy Services Management, LP, and GR Energy Services Operating GP, LLC (collectively, “GR Energy”). Wellmatics and GR Energy shall be referred to collectively as “Defendants.”

I. PARTIES

1. Plaintiff Canatex is a corporation organized under the laws of the State of Delaware with its principal place of business at 3018 W. County Road 127, Midland, TX, 79706.

2. Upon information and belief, Defendant Wellmatics is a limited liability company organized under the laws of Delaware with a regular and established place of business in this District, including its principal place of business at 6770 McHard Road, Houston, Texas 77053.

Wellmatics may be served via its registered agent with the State of Texas, C T Corporation System, 1999 Bryan St., Suite 900, Dallas, Texas 75201-3136.

3. Upon information and belief, Defendant GR Energy Services, LLC is a limited liability company organized under the laws of Texas with a regular and established place of business in this District, including its principal place of business at 2150 Town Square, Suite #410, Sugar Land, Texas 77497. GR Energy Services, LLC may be served via its registered agent with the State of Texas, Terrie L. Sechrist, 770 South Post Oak Lane, Suite 410, Houston, Texas 77056.

4. Upon information and belief, Defendant GR Energy Services Management, LP is a limited partnership organized under the laws of Delaware with a regular and established place of business in this District, including its principal place of business at 2150 Town Square, Suite #410, Sugar Land, Texas 77497. GR Energy Services Management, LP may be served via its registered agent with the State of Delaware, The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801.

5. Upon information and belief, Defendant GR Energy Services Operating GP, LLC is a limited liability company organized under the laws of Delaware with a regular and established place of business in this District, including its principal place of business at 2150 Town Square, Suite #410, Sugar Land, Texas 77497. GR Energy Services Operating GP, LLC may be served via its registered agent with the State of Texas, C T Corporation System, 1999 Bryan Street, Suite #900, Dallas, Texas 75201-3136.

II. JURISDICTION AND VENUE

6. This is an action for patent infringement under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. § 271. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

7. General jurisdiction exists over all Defendants because, upon information and belief, all Defendants have their principal places of business in this District. Specifically, based on Wellmatics' website, it has a principal place of business at 6770 McHard Road, Houston, Texas 77053. Based on GR Energy's website, their headquarters is located at 2150 Town Square, Suite #410, Sugar Land, Texas 77497.

8. Personal jurisdiction exists over all Defendants because they all conduct business in and have committed acts of patent infringement in this District and throughout the State of Texas, and they have established minimum contacts with this forum state such that the exercise of jurisdiction over Defendants would not offend the traditional notions of fair play and substantial justice.

9. Upon information and belief, Defendants transact substantial business with entities and individuals in the State of Texas by, among other things, importing, making, having made, using, selling and/or offering to sell products that infringe the '122 Patent, namely the PHIRE Escape Release Tool ("Accused Product"). Upon information and belief, Wellmatics imports, uses, makes and has made Accused Products, which Wellmatics then sells, offers to sell and/or distributes to GR Energy and others. Upon information and belief, GR Energy sells, and/or offers to sell the Accused Products it receives from Wellmatics to customers in the energy field and uses the Accused Products on behalf of those customers.

10. Venue is proper pursuant to 28 U.S.C. §§ 1391(b)-(c) and 1400(b), because each Defendant has committed acts of infringement in this District and has a regular and established place of business in this District.

11. Defendant Wellmatics has a regular and established principal place of business in this District at 6770 McHard Road, Houston, Texas 77053. Upon information and belief,

Wellmatics infringes the '122 Patent by importing, making, having made, using, selling and/or offering to sell the Accused Product at or from its principal place of business, including by allowing potential customers to request proposals for Accused Products via Wellmatics' webpage at <https://www.wellmatics.com/request-a-proposal>.

12. Defendants GR Energy have a regular and established principal place of business in this District at their headquarters at 2150 Town Square, Suite #410, Sugar Land, Texas 77497. Upon information and belief, GR Energy infringes the '122 Patent by acquiring the Accused Products and then selling, offering to sell, and/or distributing the Accused Product from its headquarters. Upon information and belief, GR Energy further infringes by using the Accused Product throughout the State of Texas, including in this District.

III. THE '122 PATENT

13. On October 6, 2020, the United States Patent and Trademark Office ("the Patent Office") duly and legally issued U.S. Patent No. 10,794,122, entitled "Releasable Connection for a Downhole Tool String" after fair and full examination. A copy of the '122 Patent is attached hereto as Exhibit A. The '122 Patent is a valid and enforceable United States Patent, the entire right, title and interest of which Canatex owns by written assignment. Canatex has never licensed the '122 Patent.

IV. CANATEX'S PATENTED PRODUCT

14. Canatex is an oil and gas company specializing in wireline, completions, and pumping technologies. Among other things, Canatex provides oil and gas products (e.g., release tools) to service companies who then use those products to service the oil and gas wells of operators.

15. The leading product offered by Canatex is branded as the Ballistic Release Tool (“BRT”), which is covered by the ‘122 Patent.

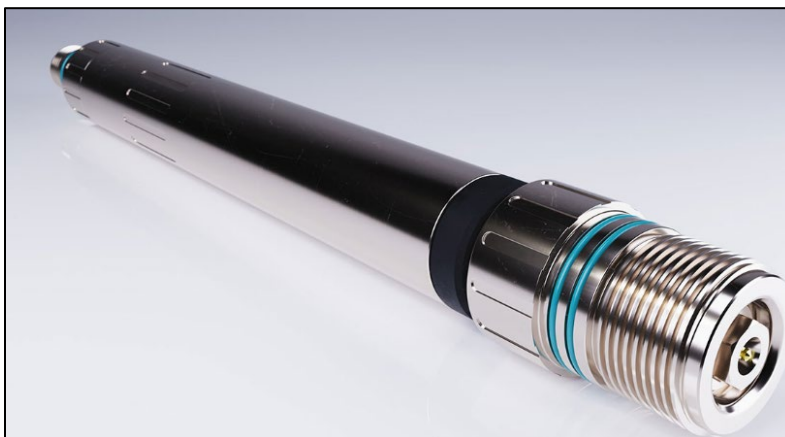


The BRT is marked with the number of the ‘122 Patent in conformance with 35 U.S.C. § 287(a). The BRT is believed to have the industry leading successful release rate (over 96.5%) and has earned considerable industry recognition since its introduction to the U.S. market, including multiple nominations for prestigious oil and gas awards.

V. DEFENDANTS’ INFRINGEMENT

16. On or about September 21, 2022, Canatex learned that its largest BRT customer had run several Accused Products in a well. The customer informed Canatex that the Accused Products had service quality issues, which Canatex understood to mean that the tools were performing poorly.

17. Wellmatics manufactures, sells, offers to sell and/or uses the Accused Product, which is prominently advertised on its website.



See Wellmatics' PHIRE Escape Webpage, available at <https://www.wellmatics.com/solutions/phire-escape> (last accessed September 15, 2022) (also listing "pressure assisted release to ensure clean release from stuck tool string" as a "benefit") (hereinafter "PHIRE Escape Website").

18. Wellmatics also advertises the Accused Product as follows:

[T]he PHIRE escape tool ensures a clean release in any wellbore environment. The internals have been designed, engineered and tested to withstand the harshest conditions seen in wireline plug and perf operations. From the hardest hitting setting tools to high shot density gun strings and long-complex assemblies encountered during rig up operation, the PHIRE **release tools robust and simple design has been proven to deliver**. The PHIRE release tool has been designed to utilize the patent pending Dual PHIRE Igniter. The Dual PHIRE Igniter provides the pressure required to actuate the PHIRE release mechanism.

Id.

19. Upon information and belief, GR Energy is an affiliate of Wellmatics that sells (including by lease), offers to sell, distributes, and uses the Accused Product for its customers. For example, GR Energy recently informed Canatex that it had phased out other release tools it had been using (including the BRT) and that it would be using the Accused Product instead.

20. Upon information and belief, the Accused Product generally operates as explained in Exhibit B. As shown therein, the Accused Product satisfies each element of at least claim 1 of the '122 Patent.

21. Canatex will identify all infringed claims when required to do so pursuant to Patent Rule 3-2 of the Rules of Practice for Patent Cases before the United States District Court for the Southern District of Texas, after Canatex has been permitted to take discovery on the technical structure and operation of the tool.

22. Wellmatics infringes the '122 Patent by importing, making, using, selling and/or offering to sell the Accused Product. GRE infringes the '122 Patent by using, selling and/or offering to sell the Accused Product.

VI. CAUSES OF ACTION

COUNT 1 (INFRINGEMENT OF U.S. PATENT NO. 10,794,122)

23. Canatex re-alleges the facts recited in Paragraphs 1 through 22, inclusive, as if fully set forth herein.

24. The '122 Patent is valid and is presumed valid under 35 U.S.C. § 282.

25. The Accused Product satisfies every element of at least claim 1 of the '122 Patent, either literally or via the doctrine of equivalents. *See* Exhibit B. Therefore, any entity that imports, makes, sells, offers for sale, and/or uses the Accused Product without Canatex's authorization infringes the '122 Patent.

26. Wellmatics has infringed and continues to infringe the '122 Patent, either literally or through the doctrine of equivalents, by importing, making, using, selling, leasing, and/or offering for sale Accused Products in the United States, including but not limited to its sales of the Accused Product to GR Energy.

27. GR Energy has infringed the '122 Patent by using, selling (including by lease) and/or offering for sale the Accused Products in the United States, including but not limited to sales of the Accused Products acquired from Wellmatics.

28. Defendants' continued infringement of the '122 Patent is intentional, willful, and without regard to Canatex's rights given the clear, express notice of infringement provided by this Complaint.

29. Canatex is suffering irreparable harm from Defendants' infringement of the '122 Patent. Canatex has no adequate remedy at law and is entitled to an injunction (preliminary and permanent) against Defendants' continuing infringement of the '122 Patent.

30. Additionally, Canatex has suffered monetary damages because of Defendants' infringement. Every sale and/or lease of Defendants' infringing product displaces Canatex sales and leases of its patented BRT and, therefore, Canatex is entitled to lost profits but in no event less than a reasonable royalty.

I. JURY DEMAND

31. Canatex asserts its right under the Seventh Amendment to the U.S. Constitution and demands, in accordance with Federal Rule of Civil Procedure 38, a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Canatex requests entry of judgment in its favor and against Defendants as follows:

- a. Declaring that Wellmatics and GR Energy have infringed United States Patent No. 10,794,122;

- b. Preliminarily and permanently enjoining Wellmatics and GR Energy from any further infringement of U.S. Patent No. 10,794,122;
- c. Declaring that Wellmatics and GR Energy's infringement has been willful, at least from the filing of this Complaint;
- d. Awarding damages to Plaintiff for all lost profits stemming from Wellmatics and GR Energy's infringement of U.S. Patent No. 10,794,122, together with treble damages for willful infringement, prejudgment and post-judgment interest, and costs, as permitted under 35 U.S.C. § 284;
- e. Awarding damages to Plaintiff in an amount no less than a reasonable royalty, together with treble damages for willful infringement, prejudgment and post-judgment interest, and costs, as permitted under 35 U.S.C. § 284;
- f. Awarding attorney fees pursuant to 35 U.S.C. § 285 or as otherwise permitted by law; and
- g. Awarding such other costs and further relief as the Court may deem just and proper.

September 27, 2022

/s/ J. David Cabello

J. David Cabello

Attorney-in-Charge

Texas Bar No. 03574500

Stephen D. Zinda

Texas Bar No. 24084147

James H. Hall

Texas Bar No. 24041040

Munira A. Jesani

Texas Bar No. 24101967

Cabello Hall Zinda, PLLC

801 Travis Street, Suite 1610

Houston, TX 77002

Telephone: (832) 631-9990
Facsimile: (832) 631-9991
David@CHZFirm.com
Stephen@CHZFirm.com
James@CHZFirm.com
MJesani@CHZFirm.com

**ATTORNEYS FOR
PLAINTIFF CANATEX
COMPLETIONS
SOLUTIONS, INC.**