# IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

CACTUS WELLHEAD, LLC,

Plaintiff,

v.

Case No.: 24-cv-1010

CAMERON INTERNATIONAL CORPORATION; SCHLUMBERGER TECHNOLOGY CORPORATION,

Defendants.

JURY TRIAL DEMANDED

## COMPLAINT FOR PATENT INFRINGEMENT

Cactus Wellhead, LLC ("Cactus"), hereby files this Complaint for Patent Infringement against Cameron International Corporation and Schlumberger Technology Corporation (collectively "Cameron") and alleges, on information and belief:

## **THE PARTIES**

- 1. Cactus Wellhead, LLC is a limited liability company duly organized under the laws of the State of Delaware with its principal place of business at 920 Memorial City Way, Suite 300, Houston, Texas 77024-2653.
- 2. On information and belief, Cameron International Corporation is a corporation duly organized under the laws of the State of Delaware. Its principal place of business is located at 1430 Enclave Pkwy, Houston, TX 77077-2499. On information and belief, and according to public records, Cameron International Corporation also does business as Cameron Systems Corporation.
- 3. On information and belief, Schlumberger Technology Corporation is a corporation duly organized under the laws of the State of Texas. Its principal place of business is located at 1430 Enclave Pkwy, Houston, TX 77077-2499.

4. Cameron International Corporation and Schlumberger Technology Corporation are subsidiaries of Schlumberger Holdings Corporation. Together they jointly do business in the fracking industry, including sharing a website, contact information, and locations, usually under the Schlumberger name. For example, Cameron is now branded as "Cameron, A Schlumberger Company" across its website, locations and other branding.

## **NATURE OF THE ACTION**

5. This is a civil action against Cameron for patent infringement arising under the United States Patent Laws, 35 U.S.C. § 271, *et seq.* for the infringement of United States Patent No. 11,137,109 ("Cactus Patent"). The Cactus Patent is valid and enforceable, and the inventions claimed in the Cactus Patent were novel, non-obvious, unconventional, and non-routine at least as of their earliest priority date.

# **JURISDICTION AND VENUE**

- 6. This action arises under the United States Patent Laws, Title 35 of the United States Code. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a).
- 7. This Court has personal jurisdiction over Cameron International Corporation because it has committed acts within the Eastern District of Texas giving rise to this action and has established minimum contacts with this forum such that the exercise of jurisdiction over Cameron International Corporation would not offend traditional notions of fair play and substantial justice. Cameron International Corporation maintains its principal place of business in the State of Texas, as described above, and actively directs its activities to customers located in the State of Texas and in this District.
- 8. This Court has personal jurisdiction over Schlumberger Technology Corporation because it has committed acts within the Eastern District of Texas giving rise to this action and

because it is duly organized under the laws of the State of Texas and it maintains its principal place of business in the State of Texas, as described above.

- 9. Venue is proper in this judicial district under 28 U.S.C. §§ 1391 and 1400(b) as to Cameron International Corporation because it maintains offices and facilities in this District at 301 Capacity Drive, Longview, Texas and it actively directs its activities to customers located in the State of Texas and in this District. Cameron International Corporation, directly and/or through subsidiaries or intermediaries, has committed and continues to commit acts of infringement in this District by, among other things, making, using, offering to sell, and selling products and/or services or inducing others to make, use, offer to sell, or sell products and/or services that infringe the Cactus Patent. For example, on information and belief, Cameron International Corporation regularly conducts fracking operations in this District using the technology claimed in the Cactus Patent in the Eagle Ford Shale and Haynesville Shale basins. Additionally, Cameron International Corporation has availed itself of the benefits of this forum in previous litigations.
- 10. Venue is proper in this judicial district under 28 U.S.C. §§ 1391 and 1400(b) as to Schlumberger Technology Corporation because it maintains offices and facilities in this District at 3011 Internet Boulevard, Suite 200, Frisco, Texas and it actively directs its activities to customers located in the State of Texas and in this District. Schlumberger Technology Corporation, directly and/or through subsidiaries or intermediaries, has committed and continues to commit acts of infringement in this District by, among other things, making, using, offering to sell, and selling products and/or services or inducing others to make, use, offer to sell, or sell products and/or services that infringe the Cactus Patent. For example, on information and belief, Cameron International Corporation regularly conducts fracking operations in this District using the technology claimed in the Cactus Patent in the Eagle Ford Shale and Haynesville Shale basins.

Additionally, Schlumberger Technology Corporation has availed itself of the benefits of this forum in litigations.

## **FACTUAL BACKGROUND**

- 11. Hydraulic fracturing (commonly referred to as "fracing" or "fracking") is a method of harvesting oil and natural gas where a high pressure stream of liquid and solid particles are injected into a well at its wellhead. This stream creates fissures in the surrounding rock. These fissures release oil and natural gas trapped within the rock, allowing the oil and natural gas to flow to the surface of the well.
- 12. At a fracking site, an assembly of valves, commonly referred to as a "frac tree," is coupled to the wellhead to control the flow of liquid and moderate pressures. The frac tree is connected to the missile and high pressure pumps (the equipment that combines and pressurizes the liquid stream) by another series of valves, commonly referred to as a "frac manifold." Regular lubrication of the valves on the frac tree and frac manifold helps to ensure reliable operation of the valves and reduces the occurrence of valves sticking or otherwise failing to operate as desired.
- 13. During fracturing operations, the area around the frac tree and frac manifold poses hazards to wellsite operators because it contains high pressure fluids and potentially inflammable atmospheres. To protect wellsite personnel, individuals are prohibited from entering the area around the frac tree and frac manifold during fracturing operations. This area is often referred to as the "exclusion zone," "hazardous zone," or "red zone." Traditionally, the lubrication of the valves on the frac tree and frac manifold halted well operations because wellsite personnel were required to enter the red zone to lubricate the valves. This downtime, sometimes referred to as non-productive time (or "NPT"), reduced the efficiency and output of the well and created additional work for wellsite personnel.
  - 14. Recognizing the problems associated with this traditional system, the inventors of

the novel technology claimed in the Cactus Patent developed a remote greasing system that allows an operator working outside the red zone to remotely lubricate the valves on the frac tree and frac manifold on an as-needed basis without having to otherwise halt wellsite operations. This novel solution works via a system of controls that allow an operator to control the application of grease to the valves while remaining outsize the red zone.

- 15. Cactus' novel process allows for the lubrication of the valves while minimizing friction loss without an operator needing to enter the red zone thereby allowing for simultaneous operations (often referred to as "sim ops") of both the automated greasing system and the fracking operation. The ability to run sim ops has revolutionized Cactus and its customers' businesses because it has increased the safety of a wellsite (by removing operators from the red zone) and reduced the amount of manual labor required from operators to grease the valves. Moreover, the novel Cactus system has cut down on the amount of time well operations are halted resulting in a reduction in NPT. Additionally, the proximity of the remote greasing system to the valves in the hazardous zone allows for shorter hose lengths, which contributes to faster installation and removal.
- 16. Realizing the potential of its invention, Cactus pursued patent protection for its novel remote greasing system, filing a provisional application on April 19, 2019, and filing the application that led to the Cactus Patent on April 17, 2020. The inventors duly assigned all right, title, and interest in the patent to Cactus.

#### THE CACTUS PATENT

17. The Cactus Patent, entitled Remote Greasing System, was duly and legally issued on October 5, 2021, and names Chad Babineaux and Jason Cade as inventors. Cactus is the owner of all right, title, and interest in the Cactus Patent. A true and correct copy of the Cactus Patent is attached as Exhibit 1. The Cactus Patent claims novel systems and methods that include

positioning one or more skids (including a skid or skids with a grease reservoir and remote greasing components) within a threshold distance of a wellhead defining a hazardous zone and positioning a control skid outside of the hazardous zone.

## CAMERON'S KNOWLEDGE OF THE CACTUS PATENT AND INFRINGEMENT

- 18. On information and belief, Cameron and/or its subsidiaries, customers, and agents, routinely take advantage of the technological developments claimed in the Cactus Patent, including by using the remote greasing system disclosed and claimed in the Cactus Patent in this District.
- 19. On information and belief, Cameron became aware of the technological developments claimed in the Cactus Patent shortly after its issuance on October 5, 2021, including through discussions between the parties in December 2021.
- 20. On information and belief, Cameron evidenced its awareness of the technological developments claimed in the Cactus Patent as of at least February 10, 2023, when Cameron cited the Cactus Patent in an Information Disclosure Statement during the prosecution of U.S. Patent Application No. 17/755,701, which later issued to Cameron as U.S. Patent No. 11,814,939.
- 21. On information and belief, Cameron and/or its subsidiaries, customers, and agents, makes or has made, uses or has used, sold or has sold, rents or has rented, or induces or has induced others, to use the technological developments claimed in the Cactus Patent.
- 22. Cameron advertises its Automated Valve Greasing System on its website and via flyers linked from its website. *See* Cameron Website<sup>1</sup>; Exhibit 2; Exhibit 3.
- 23. Cameron advertises its product as an "Automated valve greasing system" that will "eliminate red zone activities and reduce greasing time with optimized remote frac valve maintenance." Cameron Website. Likewise, Cameron offers its Automated Valve Greasing

<sup>&</sup>lt;sup>1</sup> All "Cameron Website" citations refer to the webpage found at https://slb.com/autogreasing.

System as part of its frac rental packages and generates rental revenue from this system, including from customers seeking to eliminate the presence of field personnel in the red zone.

- 24. The Cameron Automated Valve Greasing System is a remote greasing system for lubricating valves of a frac tree or frac manifold, reducing non-productive time by 25% or more. *See, e.g.*, Cameron Website ("Valves on the frac tree and manifold need regular maintenance (grease injection) during hydraulic fracturing operations. The automated valve greasing system's remote operating capability eliminates the need for personnel to enter the red zone for valve greasing and reduces maintenance time by up to 25%."); *see also* Exhibit 2; Exhibit 3.
- 25. The Cameron Automated Valve Greasing System comprises a grease supply skid that includes a grease reservoir and a grease pump. *See, e.g.,* Exhibit 2 ("The automated valve greasing system comprises a remote-control skid that houses a human machine interface (HMI) outside the red zone and a grease injection unit (GIU) that is placed in the red zone and houses a control rack, an air compressor, air manifold, air hoses, and grease tote. . . . The system uses a high-pressure grease pump to push grease to the control rack, which directs the optimal volume of grease determined using advanced analytics and instrumentation to the selected valve."); *see also* Cameron Website; Exhibit 3.
- 26. The Cameron Automated Valve Greasing System comprises a remote greasing skid that includes a grease manifold operatively coupled to a grease pump via a hose (or hoses) and a grease supply valve operatively coupled to the grease manifold whereby the grease supply valve has an output port that is operatively coupled to a lubrication port on a valve of a frac tree or frac manifold via a grease supply line. *See, e.g.,* Exhibit 3 ("The automated valve greasing system addresses all the issues associated with manual greasing. It comprises a remote-control skid that houses a human machine interface (HMI) outside the red zone and a grease injection unit (GIU)

that is placed in the red zone. Greasing hoses, which are attached to the GIU, are affixed to each valve during rig-up and remain in place until rig-down. When maintenance is required, a technician uses the HMI to select the valve [of a frac tree or frac manifold] that needs greasing. A high-pressure pump on the unit in the red zone pushes grease to the valve [of a frac tree or frac manifold]."); *see also* Cameron Website; Exhibit 2.

- 27. The Cameron Automated Valve Greasing System comprises a control skid that is operatively coupled to the remote greasing skid by a control line with the control skid adapted to control the actuation of the grease supply valve. *See*, *e.g.*, Exhibit 3 ("The automated valve greasing system addresses all the issues associated with manual greasing. It comprises a remote-control skid that houses a human machine interface (HMI) outside the red zone and a grease injection unit (GIU) that is placed in the red zone. . . . When maintenance is required, a technician uses the HMI to select the valve that needs greasing. A high-pressure pump on the unit in the red zone pushes grease to the valve."); *see also* Cameron Website; Exhibit 2.
- 28. The control skid in the Cameron Automated Valve Greasing System includes an interface. *See, e.g.*, Exhibit 3 ("The automated valve greasing system addresses all the issues associated with manual greasing. It comprises a remote-control skid that houses a human machine interface (HMI) outside the red zone and a grease injection unit (GIU) that is placed in the red zone."); *see also* Cameron Website; Exhibit 2.
- 29. The grease supply and remote greasing skid in the Cameron Automated Valve Greasing System are positioned within a threshold distance of the wellhead that is defined as the hazardous zone. *See, e.g.*, Cameron Website ("The system comprises a remote-control skid that houses a human-machine interface (HMI) outside the red zone and a grease-injection unit (GIU) that is placed in the red zone."); *see also* Exhibit 2; Exhibit 3.

30. The control skid in the Cameron Automated Valve Greasing System is positioned outside the hazardous zone. *Id*.

# **COUNT I: INFRINGEMENT OF THE CACTUS PATENT**

- 31. Cactus hereby incorporates by reference each of the allegations in the foregoing paragraphs as though fully set forth herein and further alleges as follows:
- 32. Cameron has infringed, induced infringement of, and/or contributed to the infringement of the Cactus Patent under 35 U.S.C. § 271 by making, using, selling, or offering for sale in the United States, or importing into the United States, or by intending that others make, use, sell, offer for sale, or import into, the United States, the technological advancements and inventions claimed in the Cactus Patent.
- 33. Cameron has infringed, induced infringement of, and/or contributed to the infringement of at least claims 1 and 12 of the Cactus Patent.
- 34. Cameron's infringement of the Cactus Patent has been, and will continue to be, knowing, intentional, and willful.
- 35. Cameron's infringement of the Cactus Patent has caused and will continue to cause Cactus damages for which Cactus is entitled to compensation pursuant to 35 U.S.C. § 284.
- 36. Cameron's infringement of the Cactus Patent has caused and will continue to cause Cactus immediate and irreparable harm unless such infringing activities are enjoined by this Court pursuant to 35 U.S.C. § 283. Cactus has no adequate remedy at law.
- 37. This case is exceptional and, therefore, Cactus is entitled to an award of attorney fees pursuant to 35 U.S.C. § 285.

## PRAYER FOR RELIEF

WHEREFORE, Cactus requests entry of a judgment in its favor and against Cameron as follows:

- a) Judgment that Cameron has either directly infringed one or more claims of the Cactus Patent, and/or has induced or contributed to the infringement of one or more claims of the Cactus Patent by others;
- b) An award of damages to compensate for Cameron's infringement, including damages pursuant to 35 U.S.C. § 284, as well as prejudgment and post-judgment interest;
- c) An award of costs and expenses in this action, including an award of Cactus' reasonable attorneys' fees pursuant to 35 U.S.C. § 285;
- d) A permanent injunction restraining and enjoining Cameron, and their respective officers, agents, servants, employees, attorneys, and those persons in active concert or participation with Cameron who receive actual notice of the order by personal service or otherwise, from any further sales or use of their infringing products and/or services and any other infringement of the Cactus Patent;
- e) A finding that Cameron has willfully infringed and is willfully infringing one or more claims of the Cactus Patent;
- f) A finding that this case is an exceptional case, awarding treble damages due to Cameron's deliberate and willful conduct, and ordering Cameron to pay Cactus' costs of suit and attorneys' fees; and
  - g) For such other and further relief as the Court may deem just, proper, and equitable.

## JURY DEMAND

Cactus respectfully demands a trial by jury on all claims and issues so triable.

Dated: December 9, 2024

4 Respectfully Submitted,

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