

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

INTEGRATED PRODUCTION SERVICES,
INC.

Plaintiff,

v.

EPIC LIFT SYSTEMS, LLC, f/k/a EPIC
WELL SERVICES LLC

Defendant.

Civil Action No. 4:14-cv-00246

Jury Trial Requested

AMENDED COMPLAINT

Pursuant to FED. R. CIV. P. 15(a)(1)(B), Plaintiff Integrated Production Services, Inc. (“Plaintiff” or “IPS”) files this Amended Complaint against Defendant Epic Lift Systems, LLC f/k/a Epic Well Services, LLC (“Defendant” or “Epic”) for patent infringement and seeks actual damages, exemplary damages, and injunctive relief as set forth below.

I. PARTIES

1. Plaintiff IPS is a corporation organized under the laws of the State of Texas, with its principal place of business located at 16800 Greenspoint Park Drive, Suite 200S, Houston, Texas 77060.

2. Defendant Epic is a limited liability company organized under the laws of the State of Texas, with its principal place of business located at 14485 Hwy 377 South, Fort Worth, Texas 76126. Epic may be served with a copy of this Complaint by mailing a copy to its registered agent, Mr. James Allen Jefferies, at 14485 Hwy 377 South, Fort Worth, Texas 76126.

II. NATURE OF THIS ACTION

3. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 101 *et seq.*, and in particular 35 U.S.C. §§ 271 and 281-285.

III. JURISDICTION AND VENUE

4. This Court has exclusive subject matter jurisdiction over this patent action under 28 U.S.C. §§ 1331 and 1338(a).

5. Epic is subject to personal jurisdiction as it is a resident in the State of Texas. Epic voluntarily does business in this district.

6. Venue is proper in this district under 28 U.S.C. §§ 1391 and 1400(b).

IV. FACTS

7. On April 13, 2004, U.S. Patent No. 6,719,060 (“the ‘060 patent”), titled Plunger Lift Separation and Cycling, was duly and legally issued by the U.S. Patent and Trademark Office to Edward A. Wells for an invention relating to a unique plunger lift system for lifting formation liquids from hydrocarbon wells. A true and correct copy of the ‘060 patent is attached hereto as Exhibit A. The ‘060 patent is presumed valid pursuant to 35 U.S.C. § 282.

8. On or about December 10, 2004, the named inventor of the ‘060 patent assigned his entire rights to, and interests in, the ‘060 patent to MGM Well Services, Inc.

9. On or about January 13, 2011, MGM Well Services, Inc. assigned its entire rights to, and interests in, the ‘060 patent to IPS.

10. No other company is licensed to make, use, or sell plunger lift systems that are covered by the claims of the ‘060 patent.

11. On April 3, 2001, U.S. Patent No. 6,209,637 (“the ‘637 patent”), titled Plunger Lift With Multipart Piston and Method of Using the Same, was duly and legally issued by the U.S. Patent and Trademark Office to Edward A. Wells for an invention likewise relating to a

unique plunger lift system for lifting formation liquids from hydrocarbon wells. A true and correct copy of the '637 patent is attached hereto as Exhibit B. The '637 patent is presumed valid pursuant to 35 U.S.C. § 282.

12. On or about December 10, 2004, the named inventor of the '637 patent assigned his entire rights to, and interests in, the '637 patent to MGM Well Services, Inc.

13. On or about January 13, 2011, MGM Well Services, Inc. assigned its entire rights to, and interests in, the '637 patent to IPS.

14. No other company is licensed to make, use, or sell plunger lift systems that are covered by the claims of the '637 patent.

15. On October 22, 2002, U.S. Patent No. 6,467,541 ("the '541 patent"), titled Plunger Lift Method and Apparatus, was duly and legally issued by the U.S. Patent and Trademark Office to Edward A. Wells for an invention likewise relating to a unique plunger lift system for lifting formation liquids from hydrocarbon wells. A true and correct copy of the '541 patent is attached hereto as Exhibit C. The '541 patent is presumed valid pursuant to 35 U.S.C. § 282.

16. On or about December 10, 2004, the named inventor of the '541 patent assigned his entire rights to, and interests in, the '541 patent to MGM Well Services, Inc.

17. On or about January 13, 2011, MGM Well Services, Inc. assigned its entire rights to, and interests in, the '541 patent to IPS.

18. No other company is licensed to make, use, or sell plunger lift systems that are covered by the claims of the '541 patent.

19. IPS manufactures, offers for sale, and sells plunger lift systems under the name "Pacemaker Plunger Lift System." IPS's Pacemaker Plunger Lift Systems have been very

successful in the market since their introduction. IPS has sold thousands of Pacemaker Plunger Lift Systems that incorporate the patented technology.

20. IPS marks one or more of the components of the Pacemaker Plunger system with the '060 patent number, the '637 patent number, and the '541 patent number.

21. Before becoming an owner of Epic, Mr. Schuyler Kuykendall worked as a field technician in North Texas for IPS where he sold, installed, and serviced Pacemaker Plunger Lift Systems. Mr. Kuykendall was aware that the Pacemaker Plunger Lift System was patented and knew of the '060, the '637, and the '541 patents. Mr. Kuykendall left IPS on or about October 22, 2012, and joined Epic as a co-owner and officer shortly after leaving IPS. Mr. Kuykendall brought and provided Epic with actual notice of the '060, the '637, and the '541 patents.

22. Epic has developed a two piece plunger lift system that infringes one or more claims of the '060 patent, the '637 patent, and the '541 patent. Pictures of Epic's plunger sleeve are attached hereto as Exhibits D-1 and D-2. On information and belief, Epic developed its infringing system by copying IPS's plunger lift system.

23. Epic is manufacturing, using, selling, or offering for sale its infringing systems in violation of the United States patent laws. On information and belief, Epic was aware of the '060 patent, '637 patent, and the '541 patent prior to the start of its infringing activities and engaged in said infringing activities willfully, deliberately, and with disregard for the '060, the '637, and the '541 patents.

24. Epic received a cease and desist letter from IPS on or about October 14, 2013, demanding that Epic stop its infringing activity. Epic has continued its infringing activities willfully, deliberately, and with disregard for the '060, the '637, and the '541 patents.

V. CLAIMS

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 6,719,060

25. Paragraphs 1-24 are incorporated by reference.

26. Epic has been, and still is making, using, offering to sell, and/or selling products that infringe one or more valid claims of the '060 patent without authority or license from IPS.

27. Epic also has been, and continues to, contribute to the infringement by its customers who directly infringe the '060 patent through their use of the Epic plunger lift system and/or two piece plunger.

28. Epic also has been, and continues to, induce infringement by its customers who directly infringe the '060 patent through their use of the Epic plunger lift system and/or two piece plunger. Epic is aware of, supports, and encourages its customers intended use of its infringing products.

29. Epic's plunger lift system and/or two piece plunger, as sold and offered for sale by Epic, has no substantial non-infringing uses.

30. Epic knew, or was willfully blind to the fact, that use of its plunger lift system and/or two piece plunger would infringe the claims of the '060 patent. Accordingly, Epic specifically intended and encouraged its customers to infringe the '060 patent.

31. On information and belief, Epic's infringing activities have been willful and deliberate.

32. As a result of Epic's infringing activities, IPS has suffered actual damages in an amount to be determined at trial. Additionally, as a result of the willful and deliberate nature of Epic's infringing activities, IPS is entitled to a trebling of its actual damages and is entitled to recover its attorney fees and costs incurred in prosecuting this action. 35 U.S.C. §§ 284-85.

33. Epic's acts of infringement have caused irreparable harm to IPS for which there is no adequate remedy at law, and will continue to cause irreparable harm to IPS unless Epic is preliminarily and permanently enjoined by the Court.

COUNT II – INFRINGEMENT OF U.S. PATENT NO. 6,209,637

34. Paragraphs 1-33 are incorporated by reference.

35. Epic has been, and still is making, using, offering to sell, and/or selling products that infringe one or more valid claims of the '637 patent without authority or license from IPS.

36. Epic also has been, and continues to, contribute to the infringement by its customers who directly infringe the '637 patent through their use of the Epic plunger lift system and/or two piece plunger.

37. Epic also has been, and continues to, induce infringement by its customers who directly infringe the '637 patent through their use of the Epic plunger lift system and/or two piece plunger. Epic is aware of, supports, and encourages its customers intended use of its infringing products.

38. Epic's plunger lift system and/or two piece plunger, as sold and offered for sale by Epic, has no substantial non-infringing uses.

39. Epic knew, or was willfully blind to the fact, that use of its plunger lift system and/or two piece plunger would infringe the claims of the '637 patent. Accordingly, Epic specifically intended and encouraged its customers to infringe the '637 patent.

40. On information and belief, Epic's infringing activities have been willful and deliberate.

41. As a result of Epic's infringing activities, IPS has suffered actual damages in an amount to be determined at trial. Additionally, as a result of the willful and deliberate nature of

Epic's infringing activities, IPS is entitled to a trebling of its actual damages and is entitled to recover its attorney fees and costs incurred in prosecuting this action. 35 U.S.C. §§ 284-85.

42. Epic's acts of infringement have caused irreparable harm to IPS for which there is no adequate remedy at law, and will continue to cause irreparable harm to IPS unless Epic is preliminarily and permanently enjoined by the Court.

COUNT III – INFRINGEMENT OF U.S. PATENT NO. 6,467,541

43. Paragraphs 1-42 are incorporated by reference.

44. Epic has been, and still is making, using, offering to sell, and/or selling products that infringe one or more valid claims of the '541 patent without authority or license from IPS.

45. Epic also has been, and continues to, contribute to the infringement by its customers who directly infringe the '541 patent through their use of the Epic plunger lift system and/or two piece plunger.

46. Epic also has been, and continues to, induce infringement by its customers who directly infringe the '541 patent through their use of the Epic plunger lift system and/or two piece plunger. Epic is aware of, supports, and encourages its customers intended use of its infringing products.

47. Epic's plunger lift system and/or two piece plunger, as sold and offered for sale by Epic, has no substantial non-infringing uses.

48. Epic knew, or was willfully blind to the fact, that use of its plunger lift system and/or two piece plunger would infringe the claims of the '541 patent. Accordingly, Epic specifically intended and encouraged its customers to infringe the '541 patent.

49. On information and belief, Epic's infringing activities have been willful and deliberate.

50. As a result of Epic's infringing activities, IPS has suffered actual damages in an amount to be determined at trial. Additionally, as a result of the willful and deliberate nature of Epic's infringing activities, IPS is entitled to a trebling of its actual damages and is entitled to recover its attorney fees and costs incurred in prosecuting this action. 35 U.S.C. §§ 284-85.

51. Epic's acts of infringement have caused irreparable harm to IPS for which there is no adequate remedy at law, and will continue to cause irreparable harm to IPS unless Epic is preliminarily and permanently enjoined by the Court.

VI. PRAYER FOR RELIEF

WHEREFORE, IPS prays for judgment and seeks relief against Epic as follows:

- (a) For a judgment that one or more claims of the '060, the '637, and/or the '541 patents have been and continue to be infringed by Epic;
- (b) For a judgment and an award of all damages sustained by IPS as the result of Epic's acts of infringement, including supplemental damages for any continuing post-verdict infringement up until entry of the final judgment, with an accounting as needed;
- (c) For a permanent injunction enjoining Epic from infringing any claims of the '060, '637, and '541 patents;
- (d) For a judgment and an award of enhanced damages for willful infringement of the '060, '637, and '541 patents pursuant to 35 U.S.C. § 284;
- (e) For a judgment and an award of attorneys' fees pursuant to 35 U.S.C. § 285 or as otherwise permitted by law;
- (f) For a judgment and an award of all interest and costs; and
- (g) For a judgment and an award of such other and further relief as the Court may deem just and proper.

VII. JURY DEMAND

52. IPS demands a trial by jury.

Dated: May 20, 2014

Respectfully submitted,

/s/ J. Dean Lechtenberger
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**ATTORNEYS FOR PLAINTIFF,
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CERTIFICATE OF SERVICE

I hereby certify that counsel of record who are deemed to have consented to electronic service are being served this 20th day of May, 2014, with a copy of the foregoing document via the Court's CM/ECF system in compliance with Local Rule 5.1. Any other counsel of record will be served via email and U.S. First Class Mail on this same date.

/s/ J. Dean Lechtenberger
J. Dean Lechtenberger