

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
TYLER DIVISION**

**HALLIBURTON ENERGY SERVICES,  
INC.,**

**Plaintiff,**

**v.**

**M-I LLC, d/b/a M-I DRILLING FLUIDS  
L.L.C.,**

**Defendant.**

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**C.A. NO.: 6:05-CV-155 (LED)**

**JURY TRIAL DEMAND**

**SECOND AMENDED COMPLAINT**

Halliburton Energy Services, Inc. (“Halliburton”) for its Second Amended Complaint against Defendant M-I LLC d/b/a M-I Drilling Fluids L.L.C. (“M-I”) alleges as follows:

**NATURE OF THE ACTION**

1. This is a patent infringement action to enjoin M-I’s unauthorized and infringing sale, offers to sell, use and importation of products incorporating Halliburton’s patented technology and to recover monetary damages for such infringement.

**THE PARTIES**

2. Plaintiff Halliburton is a corporation existing and organized under the laws of Delaware and has its principal place of business at 10200 Bellaire Boulevard, Houston, Texas 77072. Defendant M-I is a limited liability company existing and organized under the laws of Delaware and has its principal place of business at 5950 North Course Drive, Houston, Texas 77072. M-I also does business under the assumed names “Mi SWACO” and “M-I SWACO.”

### **JURISDICTION AND VENUE**

3. This action for patent infringement arises under the patent laws of the United States, 35 U.S.C. §§ 1, *et seq.*, and in particular 35 U.S.C. §§ 271, 281, 283, 284 and 285. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§ 1331 and 1338(a). This Court has personal jurisdiction over M-I and venue is proper in this Court pursuant to 28 U.S.C. §§ 1391 and 1400.

### **PATENT INFRINGEMENT**

4. This case involves technology used in the drilling of oil wells. Halliburton owns patents relating to such technology, and Halliburton invested substantial amounts in related research and development. United States Patent No. 6,887,832 entitled “Method of Formulating and Using a Drilling Mud with Fragile Gels” (hereinafter “the ‘832 Patent”), was issued on May 3, 2005. Halliburton is an owner of the ‘832 Patent and has the exclusive rights to sue and recover for infringement thereof. A copy of the ‘832 Patent is attached as Exhibit A. M-I has offered to sell, sold and/or used in the United States, and will continue to do so, a drilling mud system known as Rheliant. The Rheliant system is covered by, and the use of the Rheliant system carries out methods that are covered by, one or more claims of the ‘832 Patent.

5. M-I has infringed and continues to infringe; has induced and continues to induce others to infringe; and/or has committed and continues to commit acts of contributory infringement of one or more claims of the ‘832 Patent. M-I’s infringing activities in the United States and this District include offering to sell, selling, and using the Rheliant system. These infringing activities violate 35 U.S.C. § 271. On information and belief, M-I’s infringement has been, and continues to be, willful.

6. As a direct and proximate result of M-I's acts of infringement of the '832 Patent alleged above, Halliburton has suffered injury and damages in an amount not yet determined for which it is entitled to relief under 35 U.S.C. § 284. Halliburton will continue to suffer damages until M-I's infringing activities are enjoined by this Court.

7. Halliburton is likely to be irreparably harmed by M-I's infringement, inducement of others to infringe, and contributory infringement of the '832 Patent. Halliburton has no adequate remedy at law.

#### **DECLARATORY JUDGMENT OF PATENT VALIDITY AND ENFORCEABILITY**

8. For the reasons set forth herein and those contained in Dkt. No. 168-2 (Halliburton's Answer to M-I, LLC's Second Amended Counterclaims), there is an actual controversy as to the validity and enforceability of the '832 Patent.

9. Pursuant to 28 U.S.C. §§2201-2202, Halliburton is entitled to a judgment declaring that the '832 Patent is valid and enforceable, that is, that the '832 Patent is not invalid and is not unenforceable as alleged by M-I in Dkt. No. 72 (M-I LLC's Second Amended Answer, Affirmative Defenses, and Counterclaims).

#### **JURY DEMAND**

10. Halliburton demands a trial by jury.

#### **PRAYER FOR RELIEF**

WHEREFORE, Halliburton prays for judgment that:

1. M-I be declared to have infringed, induced others to infringe, and/or committed acts of contributory infringement with respect to the claims of the '832 Patent and that these acts of infringement be deemed willful;
2. The '832 Patent be declared valid and enforceable.
3. M-I, its officers, agents, servants and employees, and those persons in active concert and participation with any of them, be permanently enjoined from infringing, inducing others to infringe, and/or committing acts of contributory infringement of the '832 Patent;

4. M-I be ordered to account for and pay to Halliburton all damages caused to Halliburton by reason of M-I's infringement of the '832 Patent pursuant to 35 U.S.C. § 284, including any enhanced damages;
5. This case be declared exceptional pursuant to 35 U.S.C. § 285 and that Halliburton be awarded its attorney fees, costs and expenses in this action;
6. Halliburton be awarded pre-judgment and post-judgment interest on the damages caused to it by reason of M-I's infringement of the '832 Patent; and
7. Halliburton be awarded such other and further relief as the Court may deem just.

Dated: October 6, 2006

Respectfully submitted,

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/s/

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COUNSEL FOR PLAINTIFF  
HALLIBURTON ENERGY SERVICES, INC.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on this the 6<sup>th</sup> day of October, 2006.

\_\_\_\_\_/s/  
Monte M. Bond