

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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McCLINTON ENERGY GROUP, LLC,  
Petitioner,

v.

MAGNUM OIL TOOLS INTERNATIONAL, LTD.,  
Patent Owner.

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Case IPR2013-00231  
Patent 8,079,413 B2

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Before SALLY C. MEDLEY, MEREDITH C. PETRAVICK, and  
MICHAEL R. ZECHER, *Administrative Patent Judges*.

ZECHER, *Administrative Patent Judge*.

FINAL WRITTEN DECISION  
*35 U.S.C. § 318(a) and 37 C.F.R. § 42.73*

## I. BACKGROUND

McClinton Energy Group, LLC (“McClinton”) filed a Petition on April 2, 2013, requesting an *inter partes* review of claims 1–20 (“the challenged claims”) of U.S. Patent No. 8,079,413 B2 (Ex. 1001, “the ’413 patent”). Paper 3 (“Pet.”). Magnum Oil Tools International, Ltd. (“Magnum”) timely filed a Preliminary Response. Paper 14 (“Prelim. Resp.”). Taking into account the information presented in McClinton’s Petition, as well as the arguments presented in Magnum’s Preliminary Response, the Board determined that the information presented in the Petition demonstrated that there was a reasonable likelihood that McClinton would prevail in challenging claims 1–20 as unpatentable under 35 U.S.C. § 103(a). Pursuant to 35 U.S.C. § 314, the Board instituted this proceeding on September 23, 2013, as to all of the challenged claims of the ’413 patent. Paper 16 (“Dec.”).

During this proceeding, Magnum timely filed a Patent Owner Response (Paper 20, “PO Resp.”), and McClinton timely filed a Reply to the Patent Owner Response (Paper 22, “Pet. Reply”). An oral hearing was held on May 8, 2014. Paper 30 (“Tr.”).

We have jurisdiction under 35 U.S.C. § 6(c). This decision is a final written decision under 35 U.S.C. § 318(a) as to the patentability of the challenged claims. Based on the record before us, McClinton has demonstrated by a preponderance of the evidence that claims 1–20 are unpatentable.

### A. *The ’413 Patent*

The ’413 patent relates to downhole tools that are set within a wellbore with a lower shear mechanism. Ex. 1001, 1:13–15. The ’413

patent discloses that bridge plugs, packers, and fracking (“frac”) plugs are downhole tools that typically are used to permanently, or temporarily, isolate one wellbore zone from another. *Id.* at 1:17–19. Such isolation is often necessary to pressure test, perforate, frac, or simulate a zone of the wellbore, without impacting or communicating with other zones within the wellbore. *Id.* at 1:19–22. Plugs typically are removed, or otherwise compromised, in order to reopen or restore fluid communication through the wellbore. *Id.* at 1:22–24.

The ’413 patent discloses that the process of removing permanent, non-retrievable plugs, or packers, typically includes drilling or milling. Ex. 1001, 1:25–26. However, problems sometimes occur during the removal or drilling of such non-retrievable plugs. *Id.* at 1:29–31. For instance, the non-retrievable plug components can bind upon the drill bit and rotate within the casing string, thereby resulting in extremely long drill-out times, excessive casing wear, or both. *Id.* at 1:31–34.

The ’413 patent also discloses that certain completion or production activities may require several plugs or plug types that run in series. Ex. 1001, 1:46–48. However, the uncertainty in the number and types of plugs that may be required typically leads to the over-purchase, or under-purchase, of the appropriate number and types of plugs, thereby resulting in fiscal inefficiencies or field delays. *Id.* at 1:54–58. The ’413 patent solves these problems by providing a downhole tool that performs the following functions: (1) seals the wellbore at wellbore conditions effectively; (2) may be removed from the wellbore quickly, easily, or reliably; and (3) is capable of being configured in the field to perform one or more functions. *Id.* at 1:59–62.

Figure 1B of the '413 patent, reproduced below, illustrates a partial sectional view of an insert that may be threaded to, or disposed within, a plug. Ex. 1001, 2:8–10; 3:33–35.

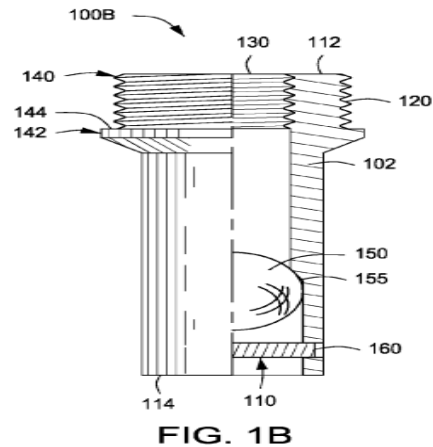


Figure 1B illustrates a partial sectional view of shearable insert 100B for a plug.

The '413 patent discloses that one or more shearable threads 130 can be disposed or formed on the inner surface of body 102. Ex. 1001, 3:47–48. Shearable threads 130 can be used to couple insert 100B to another insert 100 (illustrated in Figure 1A) or 100B, setting tool, tubing string, plug, or other tool. *Id.* at 3:48–51.

Figure 2A of the '413 patent, reproduced below, illustrates a partial sectional view of a plug configured with the insert 100 or 100B. Ex. 1001, 2:11–13; 5:21–24.

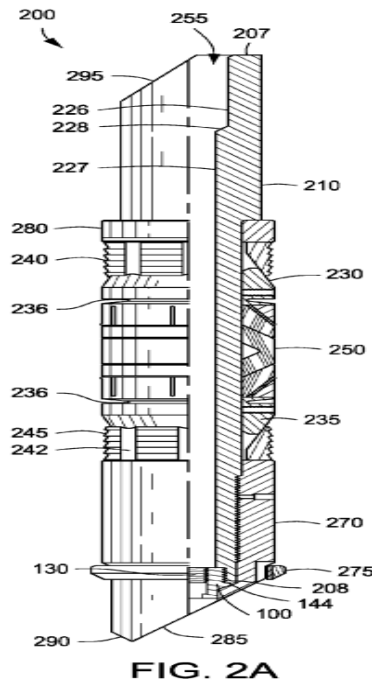


Figure 2A illustrates a partial sectional view of plug 200 configured with insert 100 or 100B.

The '413 patent discloses that plug 200 includes mandrel or body 210 having first or upper end 207 and second or lower end 208. *Id.* at 5:24–26. Insert 100B can be threaded to, or otherwise disposed within, plug 200 at lower end 208 of body 210. *Id.* at 5:34–35. A setting tool, tubing string, plug, or other tool can enter bore 255 through first end 207 of body 210 and can be threaded to, coupled to, or disposed within insert 100 or 100B. *Id.* at 5:36–39. Shearable threads 130 on insert 100 or 100B can be sheared, fractured, or otherwise deformed, thereby releasing the setting tool, tubing string, plug, or other tool from plug 200. *Id.* at 5:39–42.

#### *B. Illustrative Claim*

Of the challenged claims, claims 1, 7, and 17 are independent claims. Claims 2–6 directly depend from independent claim 1, claims 8–16 directly

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