

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ENSIGN US SOUTHERN DRILLING LLC,  
Petitioner,

v.

C&M OILFIELD RENTALS, LLC  
D/B/A C-MOR ENERGY SERVICES,  
Patent Owner.

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IPR2023-00804  
Patent 10,976,016 B2

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Before NORMAN H. BEAMER, KEVIN C. TROCK, and  
JULIA HEANEY, *Administrative Patent Judges*.

HEANEY, *Administrative Patent Judge*.

DECISION  
Granting Institution of *Inter Partes Review*  
35 U.S.C. § 314

## I. INTRODUCTION

Ensign US Southern Drilling LLC (“Petitioner”) filed a Petition to institute an *inter partes* review of claims 1, 2, and 23 of U.S. Patent No. 10,976,016 B2 (Ex. 1001, “the ’016 patent”). Paper 2 (“Petition” or “Pet.”). C&M Oilfield Rentals, LLC d/b/a C-Mor Energy Services (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”).

Institution of an *inter partes* review is authorized by statute when “the information presented in the petition . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a) (2018). Upon consideration of the Petition, the Preliminary Response, and the evidence of record, we determine that Petitioner has established a reasonable likelihood that it would prevail in showing the unpatentability of at least one claim challenged in the Petition. Accordingly, we institute an *inter partes* review of all claims and all grounds asserted in the Petition.<sup>1</sup>

### A. *Related Proceedings*

The parties identify the following litigation involving the ’016 patent: *C&M Oilfield Rentals, LLC D/B/A C-Mor Energy Services v. Ensign US Southern Drilling LLC*, Civil Action No. 4:22-cv-00965, Southern District of Texas, Houston Division (served April 1, 2022) and *C&M Oilfield Rentals, LLC v. Apollo Lighting Solutions, Inc. and Cleantek Industries, Inc.*, Civil Action No. 6:21-CV-00544-ADA, Western District of Texas,

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<sup>1</sup> *Guidance on the Impact of SAS on AIA Trial Proceedings* (Apr. 26, 2018), <https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/trials/guidance-impact-sas-aia-trial>; see also *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018).

Waco Division. Pet. 93; Paper 4, 1. Patent Owner notes that this litigation was dismissed on December 8, 2022. *Id.*

Petitioner also identifies the following litigation involving the '016 patent: *Nabors v. C&M*, Case No. 4:22-cv-02140, Southern District of Texas, Houston Division. Pet. 93.

*B. The '016 patent*

The '016 patent, titled “Elevated Structure-Mounted Lighting System,” describes lighting systems that may be used on drilling rigs to ensure safe and continuous operation of well sites. Ex. 1001, code (54), 1:12–14. The '016 patent explains that, in order “[t]o ensure even and effective lighting of the well site, lighting systems have previously been installed on the uppermost portion of the drilling rig, also referred to as the ‘crown’ of the rig.” *Id.* at 1:14–17. The '016 patent further explains that “[p]rior art lighting systems for drilling rigs are fixed, monolithic structures that are typically crown or frame systems, with a single size and layout accommodating one type of light and rig.” *Id.* at 1:23–26.

According to the '016 patent, a prior art “single structural unit” is “heavy and typically require[s] cranes along with multiple workers for installation, removal, and adjustments.” *Id.* at 2:26–28. The '016 patent describes that “[a] typical rig lighting frame system may require between 6 and 12 hours for installation.” *Id.* at 1:29–30. According to the '016 patent, “before a derrick can be moved, the lighting systems must be removed—again with all of the necessary equipment and personnel—and a similar amount of time may be required for uninstallation.” *Id.* at 1:30–33.

Figure 1 from the '016 patent, reproduced below, depicts “a prior art crown-mounted frame-based lighting system.” *Id.* at 1:63–64.

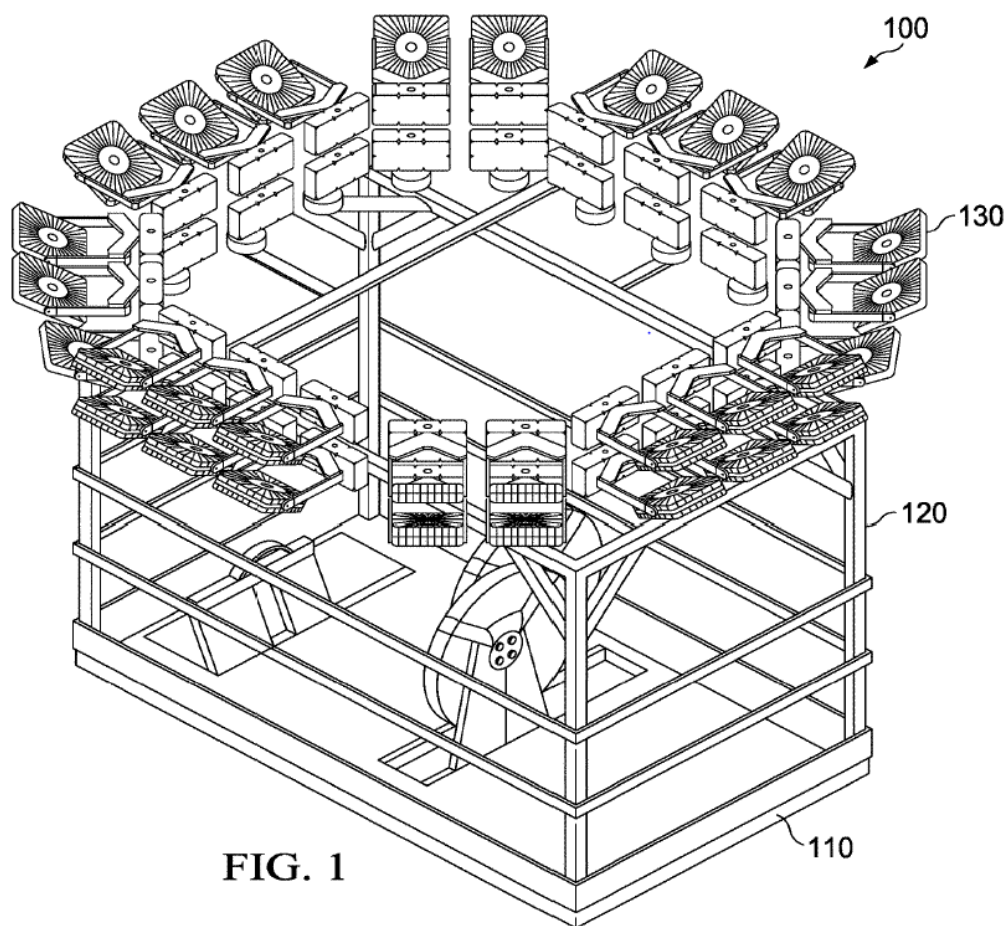


FIG. 1

Figure 1 above shows a prior art lighting system 100 built from a single frame 120, which includes multiple frame lights 130 rigidly fixed onto the frame 120. *Id.* at 2:25–29. The '016 patent explains that “frame 120 may be installed on the crown 110, or top, of a drilling rig such that the ground around the drilling rig is illuminated when in use.” *Id.* at 2:30–32.

The '016 patent describes a purportedly improved light system 200, which is modular and assembled using multiple standalone pieces that may be configured to different structures. *Id.* at 2:53–55. Figure 3 from the '016 patent, reproduced below, is an elevation view of three embodiments of an improved elevated structure mounted lighting system shown in relation to a crown deck. *Id.* at 2:1–3.

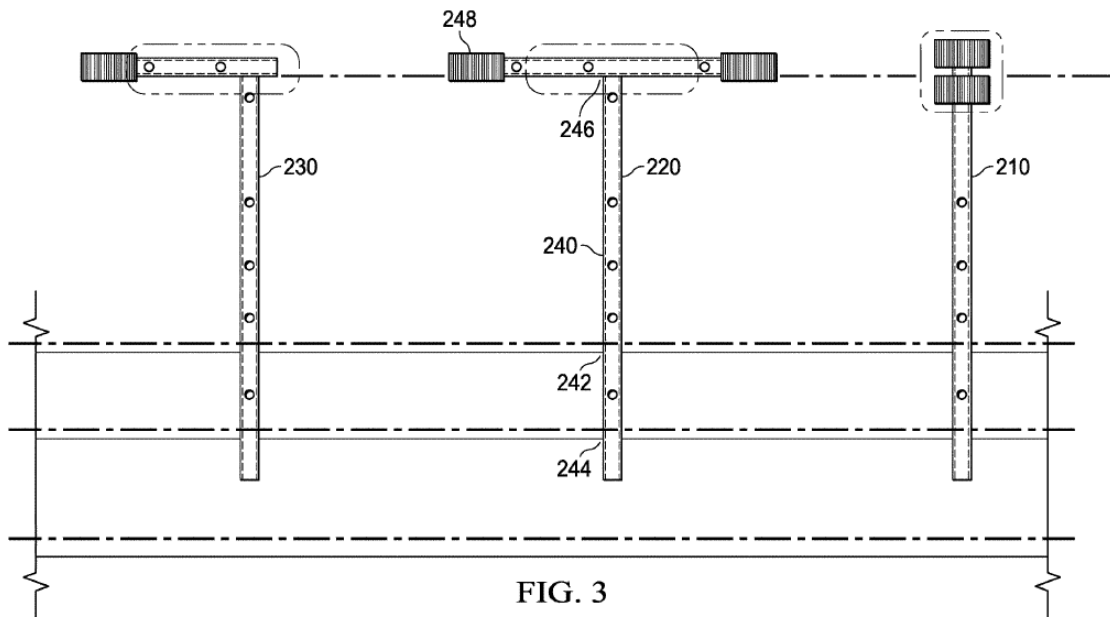


Figure 3 above shows light units 210, 220, and 230, which may include mounting pole 240, bracket for a top rail 242, bracket for a bottom rail 244, cap 246, and light fixture 248. *Id.* at 2:63–65. The bracket for top rail 242 and bracket for bottom rail 244 may be used to attach light mounting pole 240 to rails 205 of a crown deck (dashed lines) of a drilling rig using U-shaped bolts or straps. *Id.* at 2:63–3:1.

### C. *The Challenged Claims*

Petitioner challenges claims 1, 2, and 23 (“the challenged claims”) of the ’016 patent. Pet. 7. Claim 2 depends from claim 1. Claims 1 and 23, reproduced below, are illustrative of the subject matter of the challenged claims:

1. A modular lighting system mounted on a rig, the modular lighting system comprising:  
a plurality of light units, each light unit separately attached to a crown deck of the rig, and each light unit comprising:  
a mounting pole;

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