

ENTERED

February 19, 2026

Nathan Ochsner, Clerk

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

	)	
In re:	)	Chapter 11
	)	
NINE ENERGY SERVICE, INC., <i>et al.</i> , ¹	)	Case No. 26-90295 (CML)
	)	
Debtors.	)	(Jointly Administered)
	)	(Emergency Hearing Requested)
	)	

**STIPULATION AND ORDER GRANTING RELIEF
FROM THE AUTOMATIC STAY AS IT APPLIES TO THE
DEBTORS' PENDING APPEAL OF THE PATENT INFRINGEMENT JUDGMENT**

This stipulation (this "Stipulation") and agreed order (this "Order") is entered into by and among: (a) each of the above-captioned debtors and debtors in possession (collectively, the "Debtors") and (b) NCS Multistage Inc. and NCS Multistage, LLC (collectively, "NCS," and together with the Debtors, the "Parties"). The Parties hereby stipulate and agree as follows:

RECITALS

WHEREAS, Nine Energy Service, Inc. (the "Company") and NCS are parties to that certain patent infringement litigation currently pending in the United States District Court for the Western District of Texas (the "District Court") relating to the Company's BreakThru™ Casing Flotation Device and its alleged infringement of a patent held by NCS (the "Patent Litigation");

WHEREAS, following a jury trial, the District Court entered a judgment in favor of NCS (the "Patent Judgment"), including an award of approximately \$486,000 in damages, \$122,400 in

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <https://dm.epiq11.com/NineEnergy>. The location of Nine Energy Service, Inc.'s principal place of business and the Debtors' service address in these chapter 11 cases is 2001 Kirby Drive, Suite 200, Houston, TX 77019.

supplemental damages, costs, prejudgment and post-judgment interest, and an ongoing royalty of \$1000 per unit for all future sales of the BreakThru™ Casing Flotation Device;

WHEREAS, the Company appealed the Patent Judgement to the United States Court of Appeals for the Federal Circuit (the “Appeal”);

WHEREAS, to date, the Debtors have secured their pre- and post-judgment liabilities in the Patent Litigation pending the Appeal through (a) a bond in the amount of \$775,000 (the “Bond”) and (b) letters of credit issued by various third parties in the aggregate approximate amount of \$1.6 million (“the LOCs”);

WHEREAS, briefing in the Appeal is complete and oral argument is scheduled for March 2, 2026;

WHEREAS, following the entry of the Patent Judgment and filing of the Appeal, on February 1, 2026 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code before the United States Bankruptcy Court for the Southern District of Texas (this “Court”);

WHEREAS, prosecution of the Appeal was stayed on the Petition Date pursuant to the operation of the automatic stay imposed by section 362 of the Bankruptcy Code; and

WHEREAS, the Debtors, in consultation with and having support from NCS and the Ad Hoc Group, filed the *Emergency Motion for Entry of a Stipulation and Order Granting Relief From the Automatic Stay as it Applies to the Debtors’ Pending Appeal of the Patent Infringement Judgment* contemporaneously herewith, seeking relief from the automatic stay, pursuant to section 362 of the Bankruptcy Code, to permit the continued prosecution of the Appeal.

NOW, THEREFORE, in consideration of the forgoing recitals, which are incorporated into this Stipulation, it is hereby **STIPULATED AND AGREED, AND UPON APPROVAL BY THIS COURT OF THIS STIPULATION, ORDERED THAT:**

1. The above recitals are hereby incorporated by reference into this Order with the same force and effect as if fully set forth hereinafter.

2. The automatic stay imposed by section 362 of the Bankruptcy Code is hereby modified for the sole purposes of (a) allowing the Appeal (and any proceedings on remand that may result therefrom) to proceed, to the limited extent necessary to enable the claims asserted in the Patent Litigation to proceed to final judgment or settlement and (b) authorizing NCS to exercise any available rights and remedies under the Bond and the LOCs in the event that NCS obtains a final, non-appealable judgment in their favor in the Patent Litigation following the Appeal while these chapter 11 cases are pending.

3. The Parties are hereby authorized to continue to prosecute the Patent Litigation and pursue the Appeal, and take all actions reasonably related thereto.

4. Except as otherwise expressly set forth herein, the automatic stay shall remain in full force and effect with respect to the Debtors and their estates.

5. Any Bankruptcy Rule (including but not limited to Bankruptcy Rules 4001(a)(3) or 6004(h)) or Local Rule that might otherwise delay the effectiveness of this Order is hereby waived, and the terms and conditions of this Order shall be effective immediately and enforceable upon its entry.

6. The Parties agree that, upon filing of this Stipulation, any hearing on the Motion is adjourned until this Court rules on this Stipulation.

7. Neither this Stipulation nor any negotiations and writings in connection with this Stipulation shall in any way be construed as or deemed to be evidence of or an admission on behalf of any Party regarding any claim or right that such Party may have against the other Party.

8. Except as expressly set forth herein, nothing contained herein shall alter, expand, or in any way affect the Parties' respective rights under the Bankruptcy Code and other applicable law.

9. Each of the Parties to this Stipulation represents and warrants that it is duly authorized to enter into and be bound by this Stipulation.

10. This Stipulation was the product of arms' length, good faith negotiations between the Parties, and any rule of construction requiring that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Stipulation.

11. The fourteen-day stay imposed by Bankruptcy Rule 4001(a)(4) is hereby waived and the terms and conditions of this Order shall be effective and immediately enforceable upon entry hereof.

12. Notwithstanding anything to the contrary herein, nothing contained in the Motion or this Stipulation and Order, and no action taken pursuant to this Order is intended or shall be construed as: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in the Motion or this Order; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365

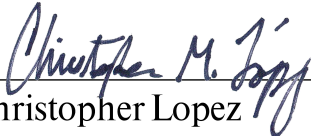
of the Bankruptcy Code; (f) an admission by the Debtors as to the validity, priority, enforceability, or perfection of any lien (contractual, common law, statutory, or otherwise) on, security interest in, or other encumbrance on property of the Debtors' estates and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfect or seek avoidance of all such liens; (g) a waiver or limitation of the Debtors' or any other party in interest's claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; or (h) a waiver of the obligation of any party in interest to file a proof of claim. Any payment made pursuant to this Order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

13. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

14. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Stipulation and Order in accordance with the Motion.

15. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Stipulation and Order.

Signed: February 19, 2026



Christopher Lopez
United States Bankruptcy Judge

Dated: February 18, 2026
Houston, Texas

/s/ John J. Kane

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