

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

BRIAN JONES,

Plaintiff,

v.

U.S. WELL SERVICES, INC., JOEL
BROUSSARD, DAVID L. TREADWELL,
RICHARD BURNETT, RYAN CARROLL,
STEVE S. HABACHY, ADAM KLEIN, DAVID
J. MATLIN, KYLE O'NEILL, and EDDIE
WATSON,

Defendants.

Case No. _____

**COMPLAINT FOR VIOLATIONS
OF THE FEDERAL SECURITIES
LAWS**

JURY TRIAL DEMANDED

Plaintiff Brian Jones ("Plaintiff"), by and through his undersigned counsel, for his complaint against defendants, alleges upon personal knowledge with respect to himself, and upon information and belief based upon, *inter alia*, the investigation of counsel as to all other allegations herein, as follows:

NATURE AND SUMMARY OF THE ACTION

1. This is a stockholder action brought by Plaintiff against U.S. Well Services, Inc. ("USWS" or the "Company") and the members of USWS' Board of Directors (the "Board" or the "Individual Defendants") for their violations of Sections 14(a) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. §§ 78n(a), 78t(a), and U.S. Securities and Exchange Commission ("SEC") Rule 14a-9, 17 C.F.R. §240.14a-9 ("Rule 14a-9"), in connection with the Board's attempt to sell USWS to ProFrac Holding Corp. ("ProFrac") (the "Proposed Transaction").

2. On June 21, 2022, USWS entered into an Agreement and Plan of Merger with ProFrac and Thunderclap Merger Sub I, Inc. (“Merger Sub”) (the “Merger Agreement”). Pursuant to the terms of the Merger Agreement, ProFrac will acquire USWS, with USWS shareholders receiving 0.3366 shares of ProFrac Class A common stock for each USWS common share.

3. On September 28, 2022, the Board authorized the filing of the materially incomplete and misleading Schedule 14A Definitive Proxy Statement (the “Proxy Statement”) with the SEC. Specifically, the Proxy Statement, which recommends that USWS stockholders vote their shares in favor of the Proposed Transaction, contains materially incomplete and misleading information concerning, among other things: (i) the Company’s financial projections for USWS and ProFrac; (ii) the financial analyses that support the fairness opinion provided by the financial advisor to the special committee of the Board (“Special Committee”), Piper Sandler & Co. (“Piper”); (iii) the background of the Proposed Transaction; and (iv) potential conflicts of interest faced by Piper and Company insiders.

4. The failure to adequately disclose such material information constitutes a violation of Sections 14(a) and 20(a) of the Exchange Act as USWS stockholders need such information in order to make a fully informed decision in connection with the Proposed Transaction.

5. The special meeting for USWS stockholders to vote on the Proposed Transaction is currently scheduled for October 31, 2022. It is imperative that such Exchange Act violations are promptly cured to enable Plaintiff and USWS’ other shareholders to make an informed decision whether to vote their shares in favor of the Proposed Transaction. Therefore, Plaintiff seeks to enjoin the stockholder vote unless and until such Exchange Act violations are cured.

JURISDICTION AND VENUE

6. This Court has jurisdiction over the claims asserted herein for violations of Sections 14(a) and 20(a) of the Exchange Act and SEC Rule 14a-9 promulgated thereunder pursuant to Section 27 of the Exchange Act, 15 U.S.C. § 78aa, and 28 U.S.C. § 1331 (federal question jurisdiction).

7. Personal jurisdiction exists over the defendants because each defendant either conducts business in or maintains operations within this District, or is an individual with sufficient minimum contacts with this District so as to make the exercise of jurisdiction by this Court permissible under traditional notions of fair play and substantial justice.

8. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because defendants are found or are inhabitants or transact business in this District. USWS' common stock trades on the Nasdaq Capital Market, which is headquartered in this District, rendering venue in this District appropriate.

THE PARTIES

9. Plaintiff is, and has been at all relevant times, the owner of shares of USWS common stock.

10. Defendant USWS is a Delaware corporation, with its principal executive offices located at 1360 Post Oak Boulevard, Suite 1800, Houston, TX 7705. USWS' shares trade on the Nasdaq Capital Market under the ticker symbol "USWS."

11. Defendant Joel Broussard has been Chairman of the Board and a director of the Company at all relevant times.

12. Defendant David L. Treadwell has been Lead Independent Director and a director of the Company at all relevant times.

13. Defendant Richard Burnett has been a director of the Company at all relevant times.

14. Defendant Ryan Carroll has been a director of the Company at all relevant times.
15. Defendant Steve S. Habachy has been a director of the Company at all relevant times.
16. Defendant Adam Klein has been a director of the Company at all relevant times.
17. Defendant David J. Matlin has been a director of the Company at all relevant times.
18. Defendant Kyle O'Neill has been President, Chief Executive Officer and a director of the Company at all relevant times.
19. Defendant Eddie Watson has been a director of the Company at all relevant times.
20. Defendants identified in paragraphs 11-19 are collectively referred to herein as the "Board" or the "Individual Defendants."

SUBSTANTIVE ALLEGATIONS

Background of the Company

21. USWS is a leading provider of hydraulic fracturing services and a market leader in electric fracture stimulation. USWS' patented electric frac technology provides one of the first fully electric, mobile well stimulation systems powered by locally supplied natural gas, including field gas sourced directly from the wellhead. According to the Company, its electric frac technology dramatically decreases emissions and sound pollution while generating exceptional operational efficiencies, including significant customer fuel cost savings versus conventional diesel fleets.

The Proposed Transaction

22. On June 21, 2022, USWS announced that it had entered into the Proposed Transaction, stating, in relevant part:

WILLOW PARK, Texas and HOUSTON, June 21, 2022 /PRNewswire/ -- ProFrac Holding Corp. (NASDAQ: PFHC) ("ProFrac" or the "Company") announced today

that it has reached an agreement to acquire U.S. Well Services, Inc. (NASDAQ: USWS) (“USWS”) in a stock-for-stock transaction with an exchange ratio of 0.0561 shares of ProFrac Class A common stock for each share of USWS Class A common stock. The acquisition is expected to be completed in the fourth quarter of 2022, subject to the satisfaction of customary closing conditions, including the approval of USWS stockholders.

The combination creates a market leader in NextGen frac solutions and a combined company with an expected 44 active fleets by the end of 2022:

- Transaction expected to expand ProFrac’s fleet to 44 active fleets by year end, including 12 electric fleets, 13 Tier IV dual fuel fleets, and 3 Tier IV diesel fleets
- Combined company expected to be the largest provider of electric frac services with 12 electric fleets
- Accelerates ProFrac’s ESG strategy of reducing fuel costs and minimizing its emissions footprint
- Marries leading edge efficiency and cost structure from ProFrac with the largest electric fleet platform in the industry to deliver exceptional value for the combined company and substantial cost savings to customers
- ProFrac would acquire USWS’ industry leading intellectual property portfolio that gave rise to electric frac technology with the market’s first e-fleet deployment in 2014, which includes over 110 patents
- USWS Convertible Senior Notes and Series A Redeemable Preferred Shares to be converted into shares of ProFrac Class A common stock at closing
- Combined company expected to maintain a conservative balance sheet; ProFrac expects to separately finance remaining USWS debt at closing
- Expected to result in approximately \$35 million of annual cost synergies and eliminate ProFrac’s expected license fees to USWS of approximately \$22.5 million per year over the next four years
- Expected to be accretive to 2023 Adjusted EBITDA

Matt Wilks, ProFrac’s Executive Chairman, commented, “The acquisition of U.S. Well Services solidifies ProFrac’s position as an industry leader in electric hydraulic fracturing, which we believe represents the future of the industry. In today’s environment, we believe electric frac fleets provide improved efficiency, lower R&M costs, greater value, and a lower overall cost of completion to our customer. It is a true win-win scenario for us, our customers, the environment and the communities in which we operate.”

Ladd Wilks, ProFrac’s Chief Executive Officer, said, “We are excited to welcome the U.S. Well Services team to the ProFrac family. We recognize the hard work of everyone to get to this point and I am excited to join forces and build upon the foundation this team has established. By leveraging our scale and capabilities along

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