
\$82.5 MILLION

Jury Delivers \$82.5M Gas Explosion Verdict

By Kimberly Atkins
Staff writer

Texas jury has handed down a verdict of more than \$82 million against two natural gas plant companies after a worker in a rebuilt and refurbished plant was killed in an explosion.

“Juries are punishing energy companies in a way the federal government can’t,” said Robert E. Ammons, who represented the family of the worker who died in the blast.

Joshua Wade Petrie was a plant operator at a natural gas processing plant in Cleburne, Texas. On May 25, 2007, Petrie attempted to start a hot oil heater on a plant processor. After several attempts by Petrie, the heater exploded. Petrie suffered trauma to his head and chest, and died of his injuries in a hospital the next day.

His widow, children and father brought a negligence action against Quicksilver Resources, the owner of the gas plant, and Hanover Compression, which sold the gas processing plant to



Plaintiff's Attorney Rob Ammons

Quicksilver. (Hanover Compressions is now known as Exterran Energy Solutions.)

The complaint asserted that Hanover, which owned the plant when it was located in Oklahoma, had the responsibility of relocating the plant to Texas, refurbishing and restoring the plant and its equipment, then reconstructing the plant and reinstalling the equipment at the Texas site in accordance with specific safety standards and plan specifications.

According to Ammons, the



A jury in Texas awarded \$82.5 million in June 2010 to the family of a worker who was killed in a gas explosion at the above plant.

defendants argued that Petrie's own negligence caused the heater to explode.

A message left with defense attorney Winstol D. Carter, Jr. of Morgan, Lewis & Bockius in Houston was not returned prior to deadline.

Safety standards and cost cutting

The plaintiffs contended that Hanover failed to install

purge systems and safety valves in the oil heater that would have prevented gas from building up inside and causing the explosion that killed Petrie.

That failure violated the National Fire Protection Association standard.

According to the plaintiffs, both Hanover and Quicksilver were on notice about the absence of purge systems

and safety valves back in 2005.

"[Purge systems] would have gotten the gas out of the furnace," Ammons asserted.

The plaintiffs also claimed that the heater was not properly installed.

"[Petrie] went through the proper steps to start the furnace, and each time gas was introduced inside," Ammons said. "But since it wasn't installed properly, it wouldn't light."

Ammons said his team focused on OSHA records and witness testimony to explain the proper safety standards and build the

case for negligence. But a key piece of evidence came from an admission by the defendants.

"We were trying to prove that they made money" on the project to relocate the plant, Ammons said. "[But] their witness came in and said they lost money on the project."

That statement led the plaintiffs' attorneys to investigate whether cost-cutting efforts were behind the company's alleged failure to adhere to safety standards.

The plant relocation "was a turnkey project," meaning that Hanover had to reconstruct and transfer the plant

to Quicksilver in a ready-to-use condition, Ammons said, "and delays in the job cost the companies money."

Ammons made the case that the companies side-stepped safety standards in order to cut costs, despite the fact that the two companies agreed to adhere to NFPA standards in their agreement to sell and relocate the plant.

"I thought that was pretty crucial," he said.

Before trial, the defendants made settlement offers during a confidential mediation. Although he can't disclose the amounts of the offers, Ammons said it was important to his clients to go to trial.

"Our clients wanted to get some answers," he said. "The company was blaming the man who died. It was as much about clearing his name and reputation as it was about compensating his widow and children."

The jury found Hanover 80 percent at fault and Quicksilver 20 percent at fault for the incident. Jurors concluded that Petrie was not negligent.

The verdict consisted of \$57.5 million in compensatory damages for the plaintiffs' past and future pecuniary loss, loss of companionship and mental anguish, as well as \$25 million in punitive damages.

Ammons said the verdict shows other gas processing companies that they will be held accountable if they fail to keep their workers safe.

"In Texas, we have a lot of hydrocarbon processing plants and chemical plants, and there have been a number of explosions over the years," he said. "The only way juries have to hold people accountable is to return a verdict."

Three additional defendants who were involved in various ways with the refurbishing, relocating or installing of the heater were dismissed from the lawsuit as a result of a confidential settlement reached with each.

Questions or comments can be directed to the writer at: kimberly.atkins@lawyersusaonline.com

AT-A-GLANCE

Verdict: \$57.5 million in compensatory damages and \$25 million in punitive damages

State: Texas

Type of case: Negligence

Status: Settled after trial. Terms of settlement are confidential

Case name: *Petrie v. Hanover Compression*

Date: June 8, 2010

Plaintiff's attorneys: Robert E. Ammons and Bennett A. Midlo of the Ammons Law Firm in Houston

Defense attorney: Winstol D. Carter, Jr. of Morgan, Lewis & Bockius in Houston



THE AMMONS LAW FIRM

A LIMITED LIABILITY PARTNERSHIP

www.ammonslaw.com