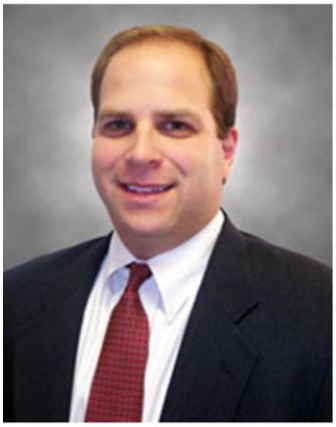
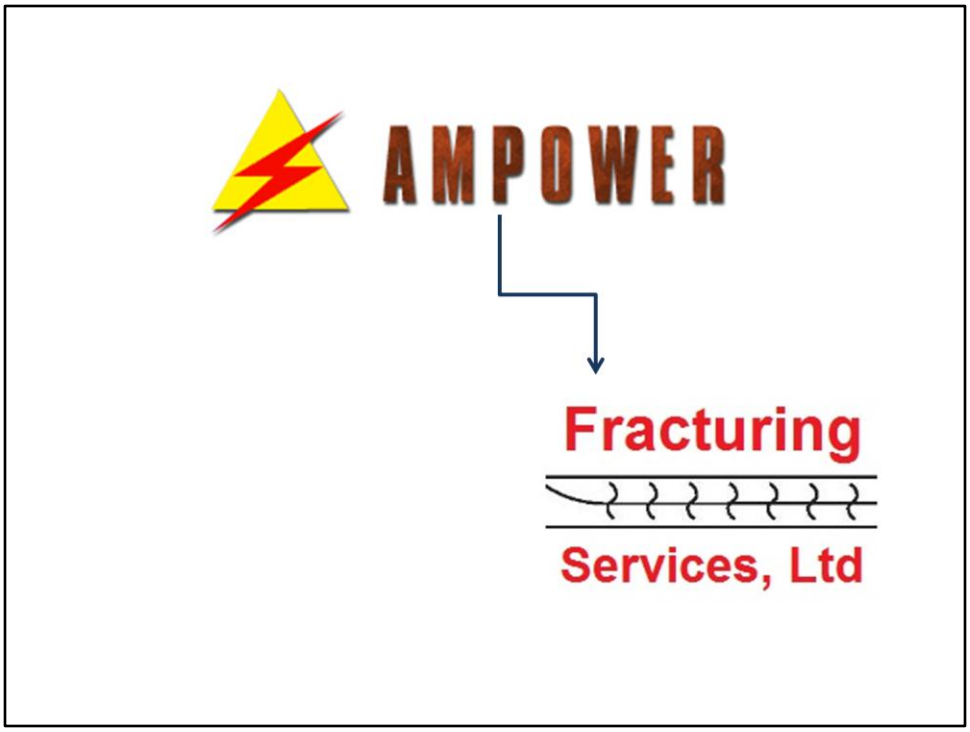
Defendant Presentation

For Ampower: Tom Elliott

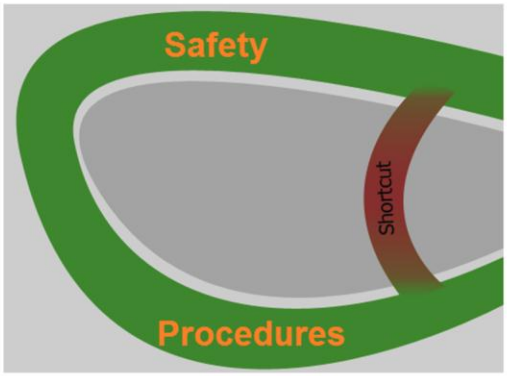


My name is Tom. I represent Ampower Oil Company in this lawsuit. We agree that this accident was unfortunate and should not have occurred. This is because certain standard procedures and safety devices were incorporated into this project at the request of Ampower Oil Company.



The company which Ampower hired to perform the fracturing project, Fracturing Services, held themselves out to be specialists in conducting fracturing projects. As it turned out, Fracturing Services did not follow standard safety procedures and actually conducted the project so that the safety mechanism designed to prevent an accident of this nature was overridden and was not able to operate as it was designed and intended to operate.

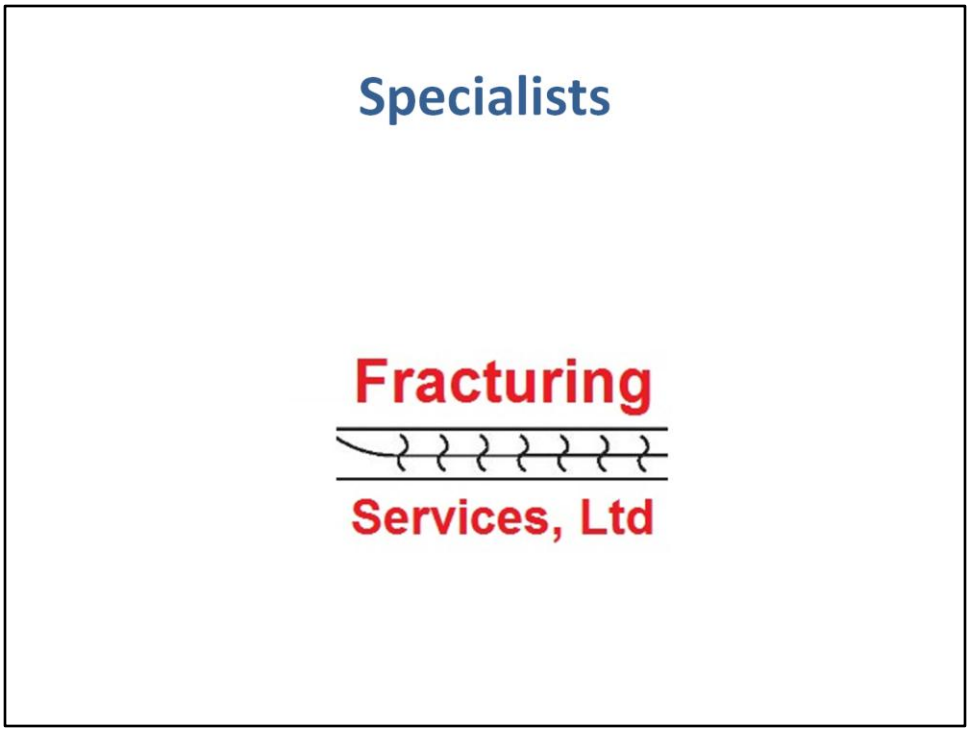
Fracturing Cut Corners



Fracturing Services admits that its procedures actually bypassed the safety mechanism which would have prevented this accident from occurring.

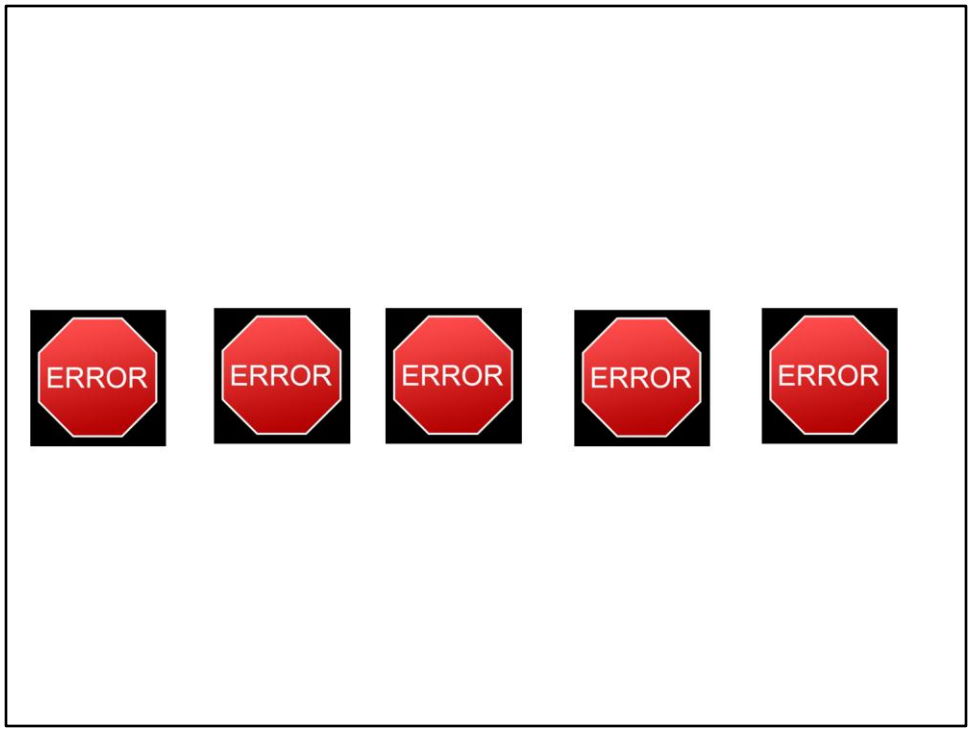
The Relationship of the Parties

Ampower Oil Company, although it owns the oil well, does very little work on the oil well through its own employees.



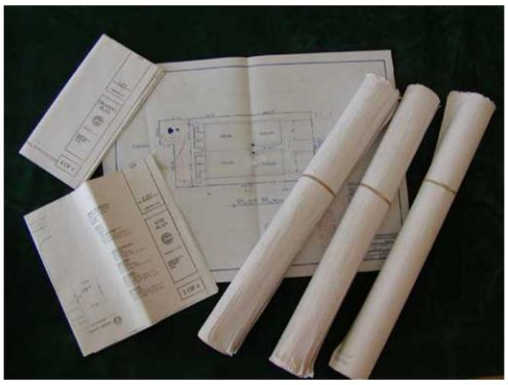
In this case, Fracturing Services was the contractor hired by Ampower to conduct the fracturing project on this oil well

During the project, Ampower has a representative on site. However, all of the people who do the hands-on work for the fracturing project are Fracturing Services□s employees



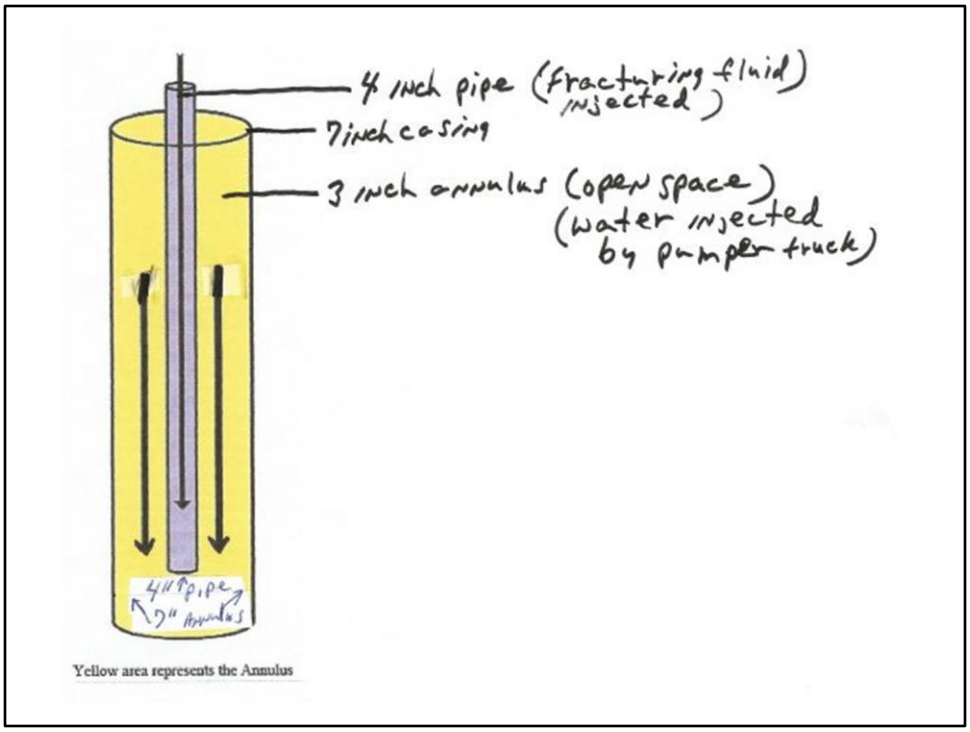
Chronology of Events Leading Up to the Accident

Unfortunately, Fracturing Services made a number of errors while it was conducting the fracturing project on the day of this accident.

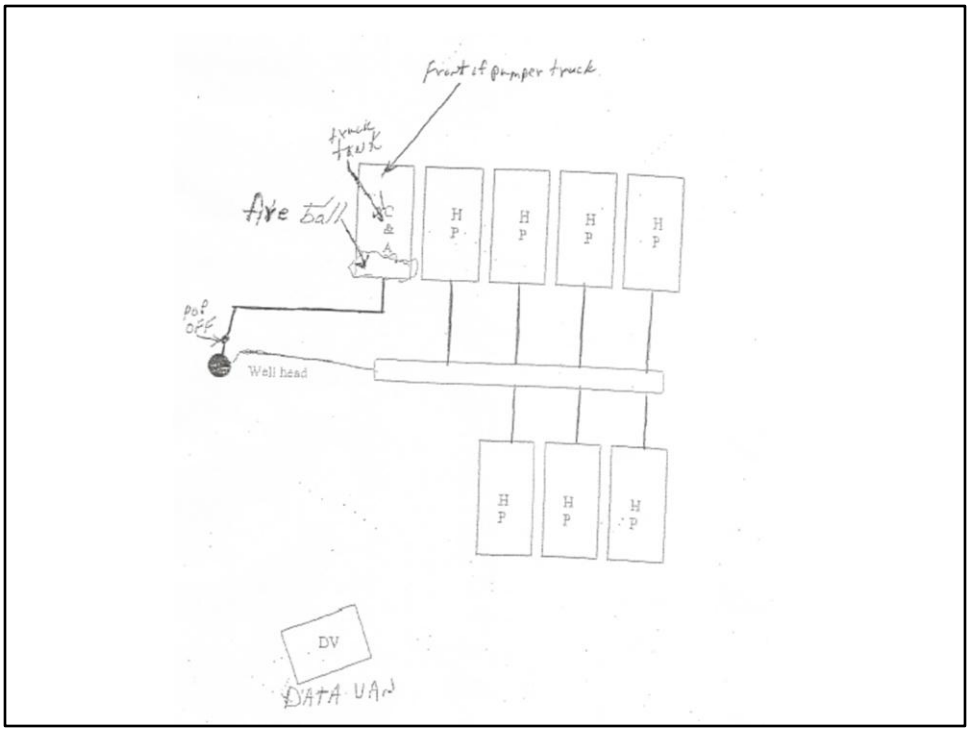


Fracturing Services is supposed to place a written engineering plan into the hands of the Fracturing Services□s supervisors who will be on site at the time the project is performed.

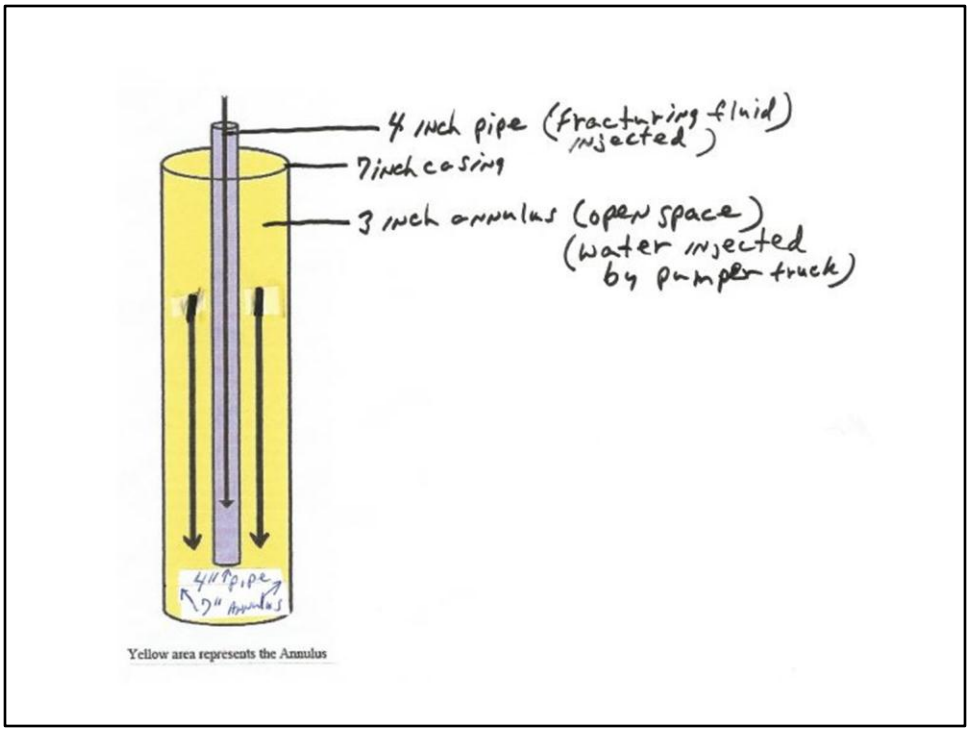
The engineering plan discusses, among other things, the pressures to be used during the project. This was going to be a high-pressure project, but nothing out of the ordinary in regard to how the project was performed.



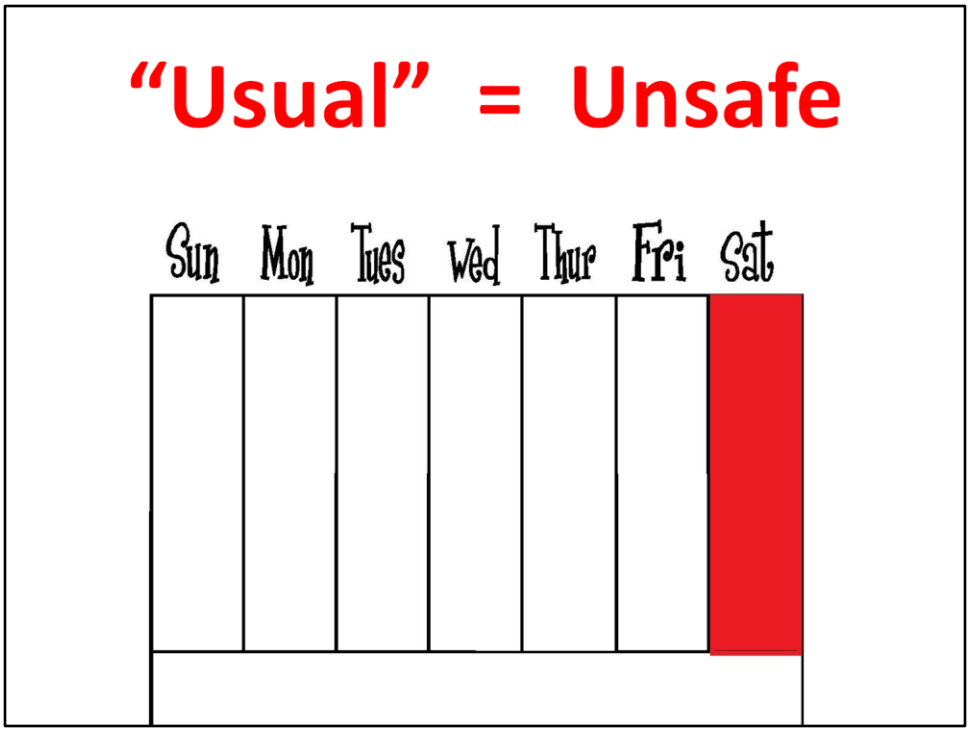
[Ampower had requested that Fracturing Services also provide a pumper truck to inject water under pressure into the annulus of the well and provide approximately 4,500 pounds of pressure into the annulus



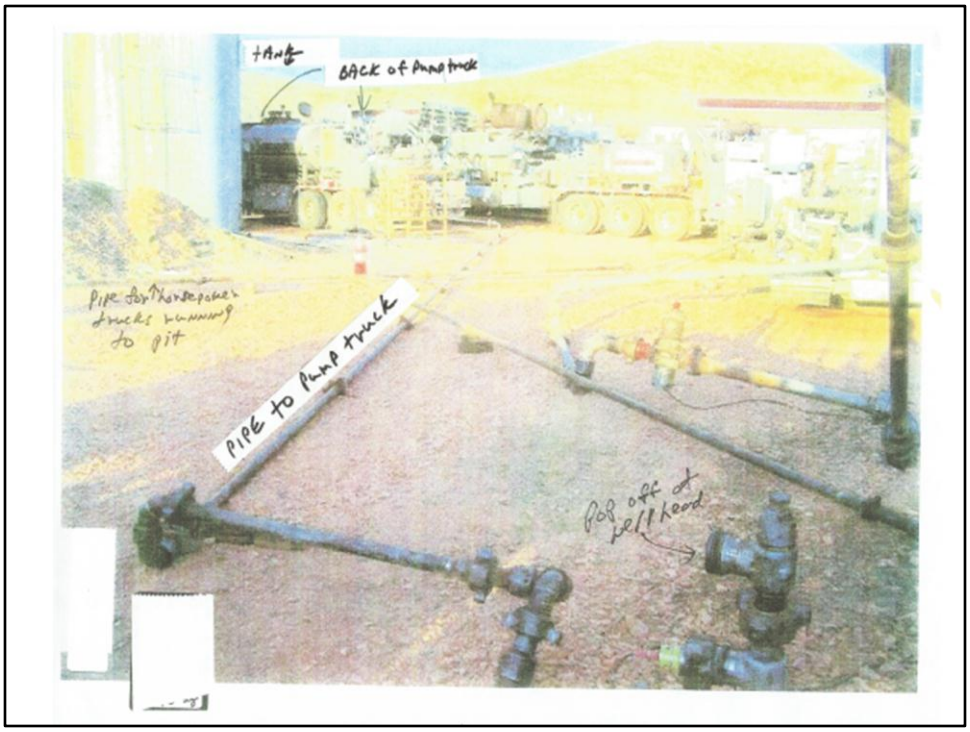
You see a number of trucks in this. It takes this many trucks to generate the amount of pressure necessary to do the fracturing project.



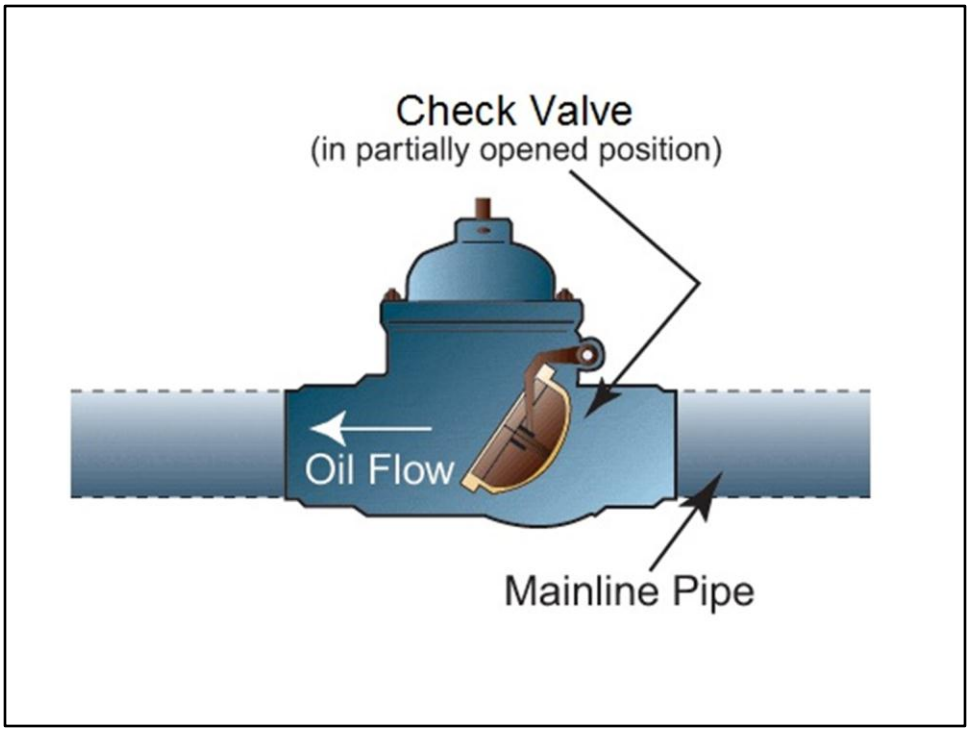
A separate pumper truck, which is not like the other horsepower trucks, is used by Fracturing Services to inject fluid into the annulus of the well. For some reason yet unexplained, the pumper truck was late in arriving to the project and did not show up until Saturday morning when the project was scheduled to commence.



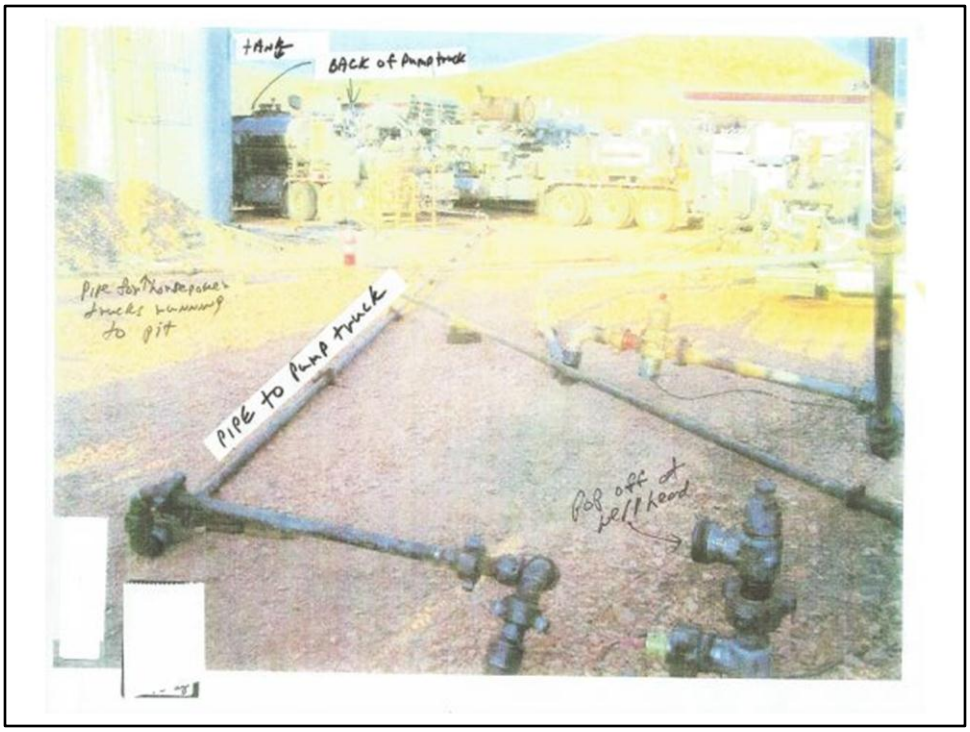
Bill, as the crew chief, would have supervised the manner in which the piping was done. The evidence will also show you that those usual procedures turned out to be unsafe.



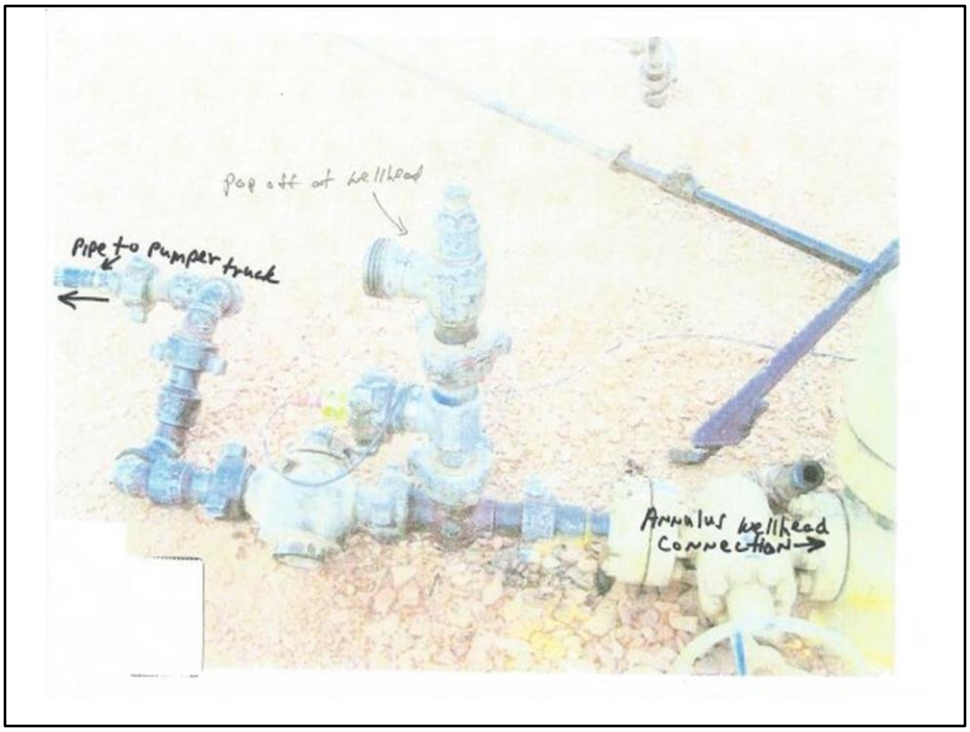
When the Fracturing Services's crew assembled the piping from the pumper truck to the well, they did not put in a check valve in the pipe. A check valve inside the pipe allows fluid to flow only into the well, but prevents fluid and gas from flowing from the well back to the truck.



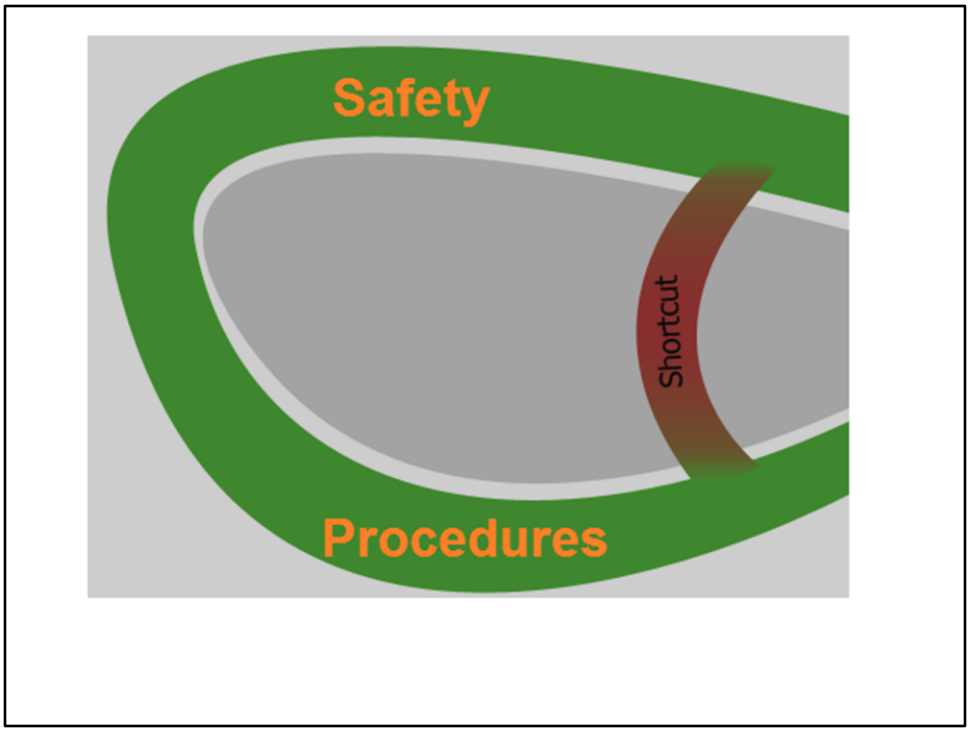
The absence of a check valve would allow fluid and gas to back up out of the well through the pipe and back to the pumper truck. Ampower Oil Company was not aware that Fracturing Services did not put a check valve in the pipe running from the annulus of the well to the pumper truck.



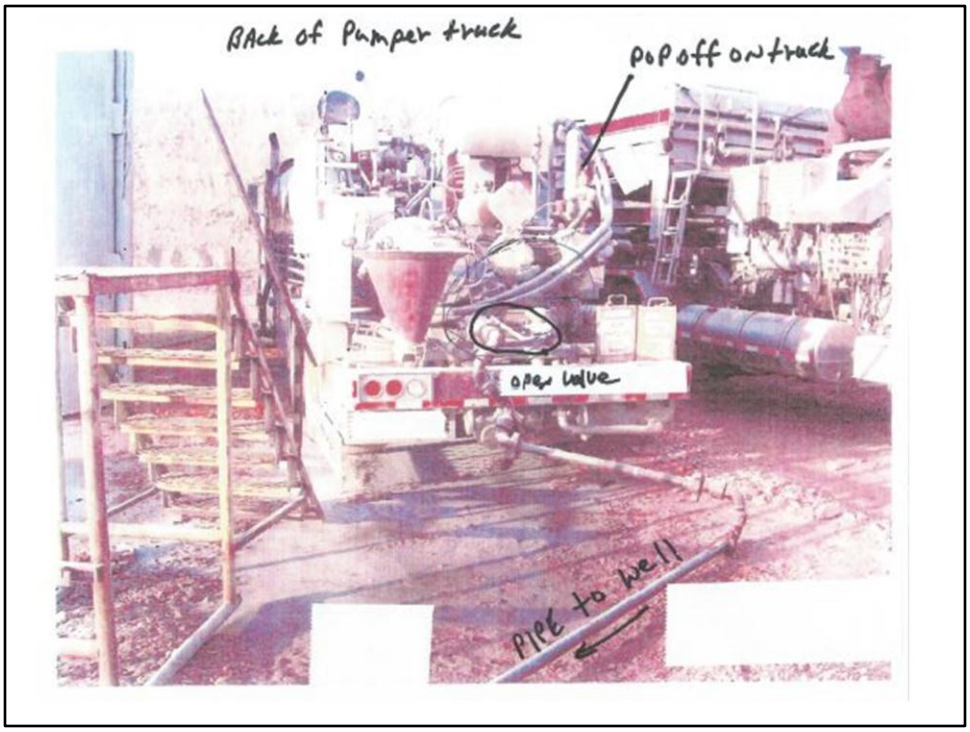
If, for any reason, excessive pressure were to accumulate in the annulus during the project, the Ampower Oil Company representative insisted that Fracturing Services install a safety pressure relief valve, which is commonly known in the industry as a pop-off.



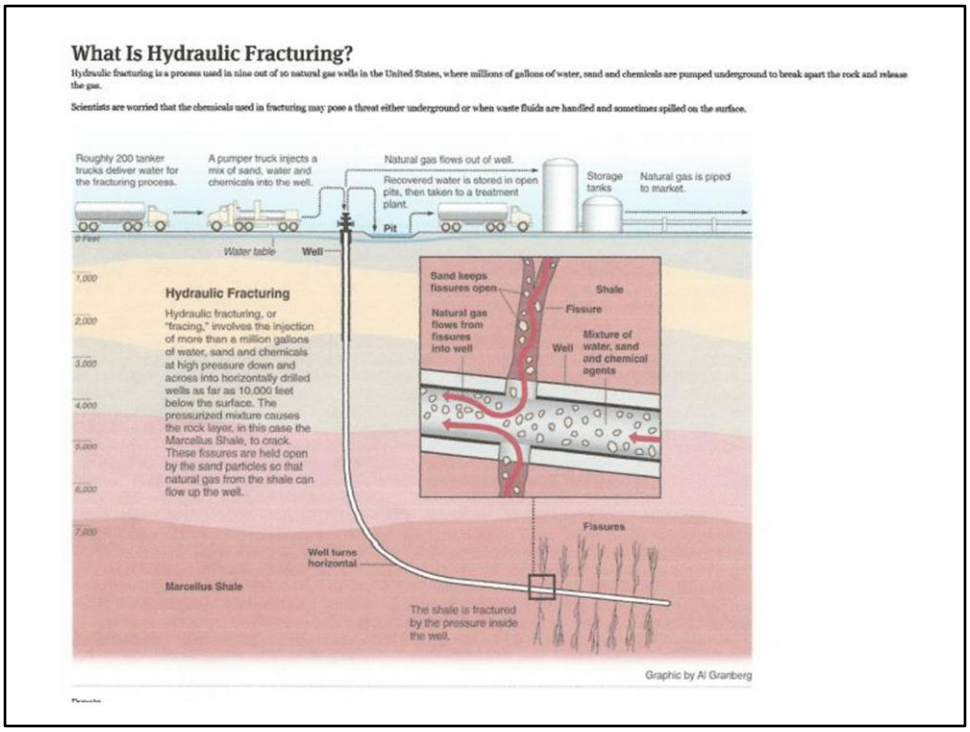
This is a closer view of the pop-off. On this project, Fracturing Services, and specifically the crew supervisor, who was Bill, the plaintiff in this lawsuit, was responsible for installing the pop-off and making sure it was working correctly and set appropriately to the correct pressure



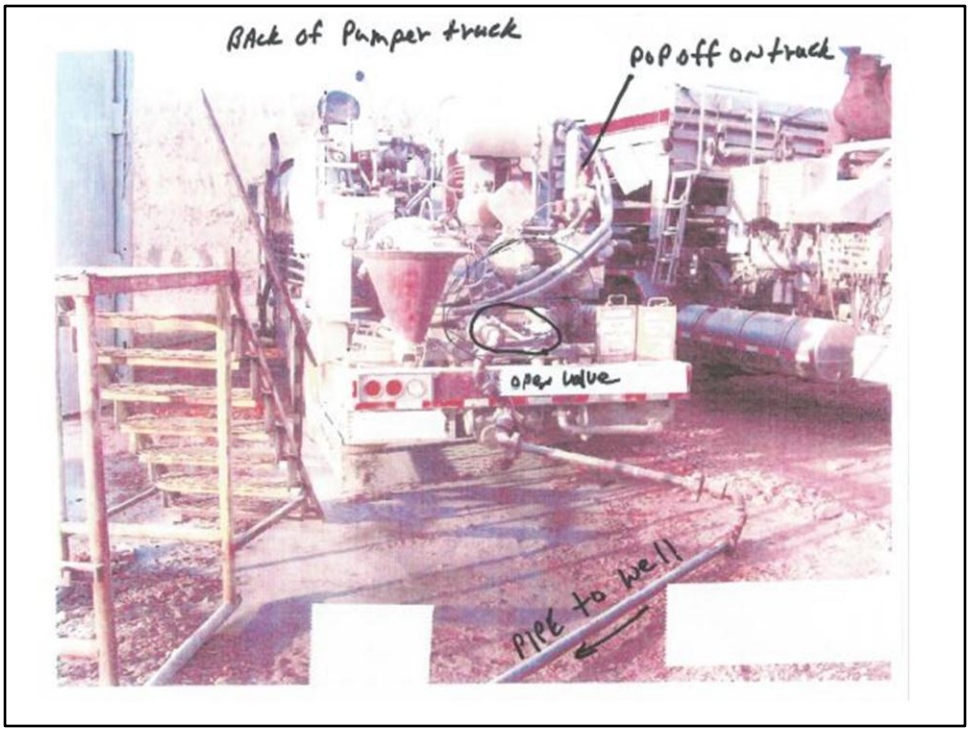
the procedures used by Fracturing Services overroad both of these safety devices by allowing the line to be open from the well all the way through to the pump truck.



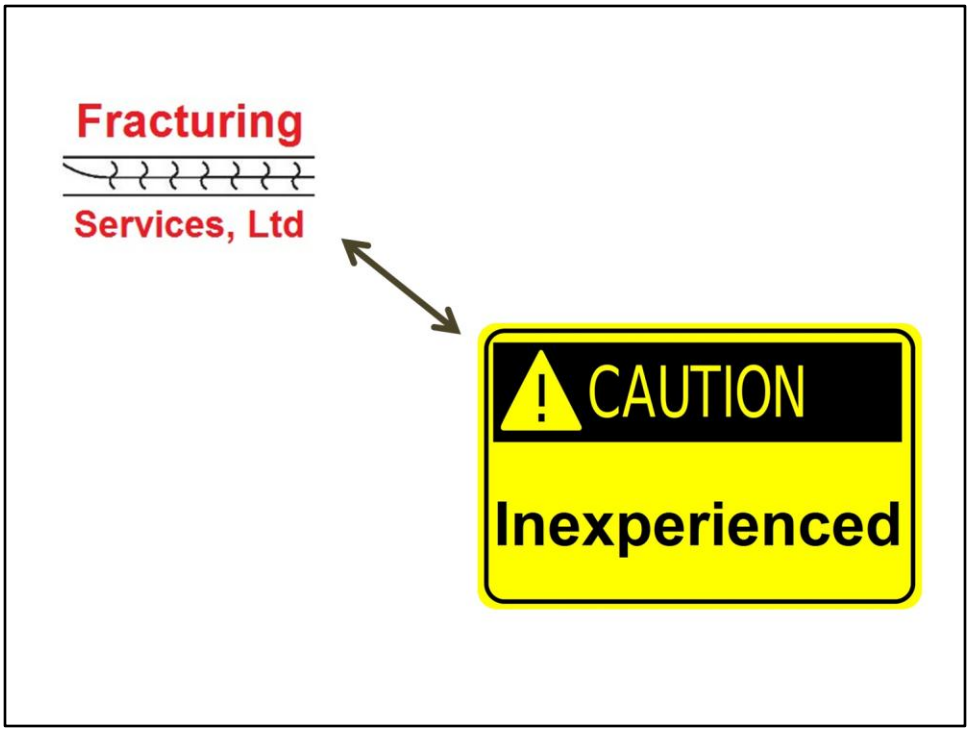
Circled in the picture is the valve handle on the back of the pump truck which is used to open and close the pipe leading from the well to the pump truck. The handle shows the valve to have been in the open position at the time of the accident.



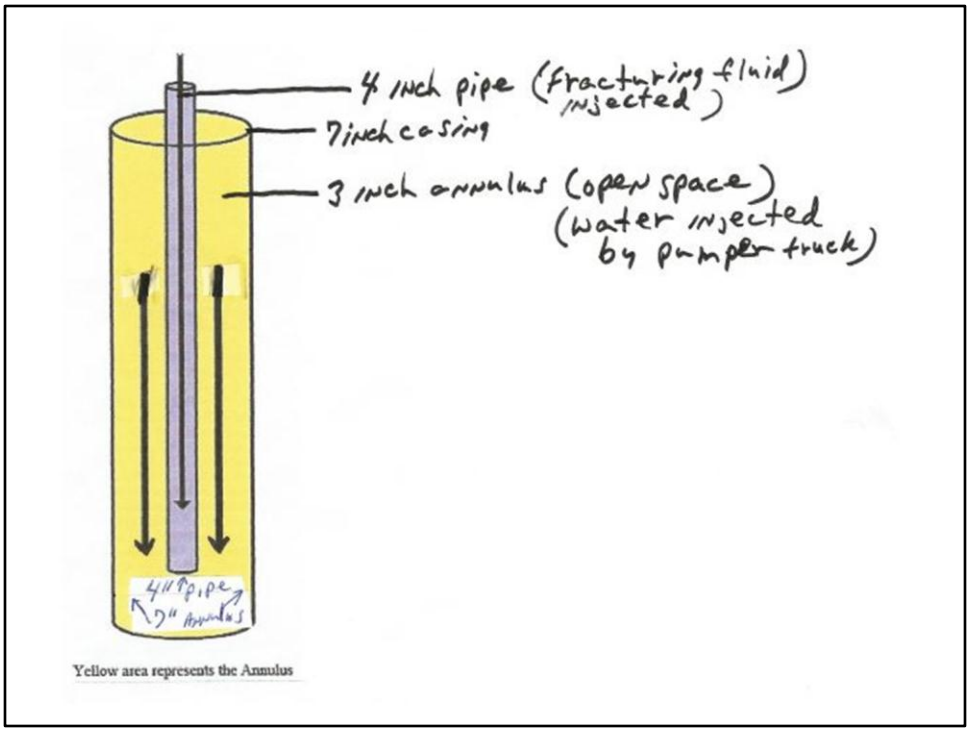
This valve should have been in the closed position in order for the safety mechanisms known as pop-offs to operate correctly.



Instead, the inexperienced operator of the pump truck kept the valve in the open position. He created an open line all the way from the bottom of the well, which was approximately 9,000 feet deep, through the pipe on the surface and into the tank of the pumper truck



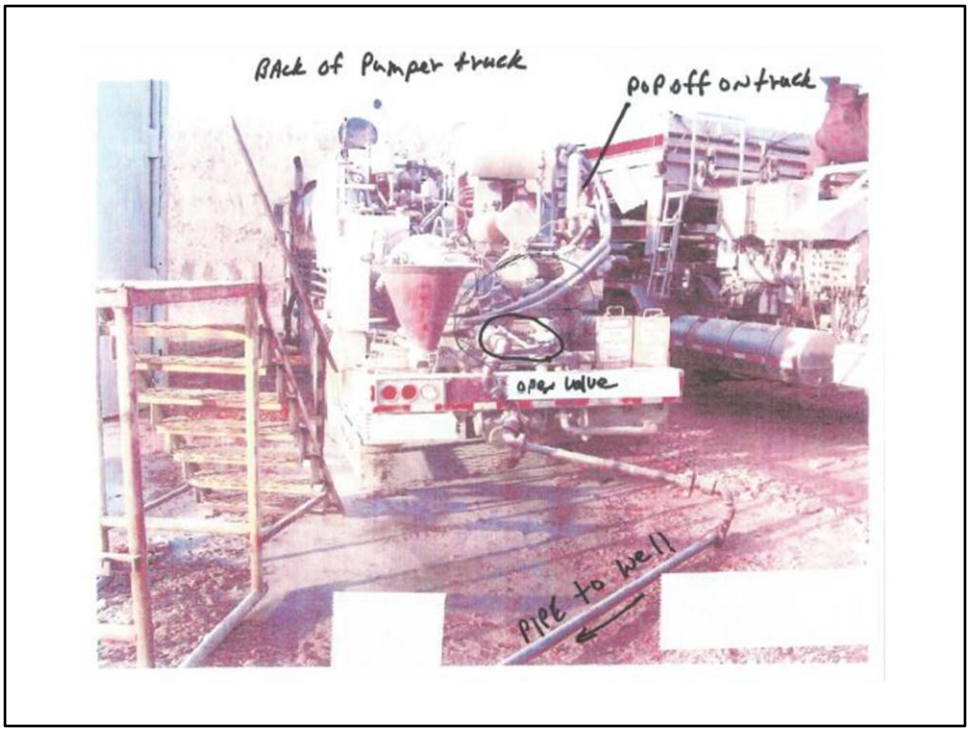
During the course of this lawsuit, Ampower learned that the Fracturing Services□s employee operating the pump truck on the day of this accident was very inexperienced



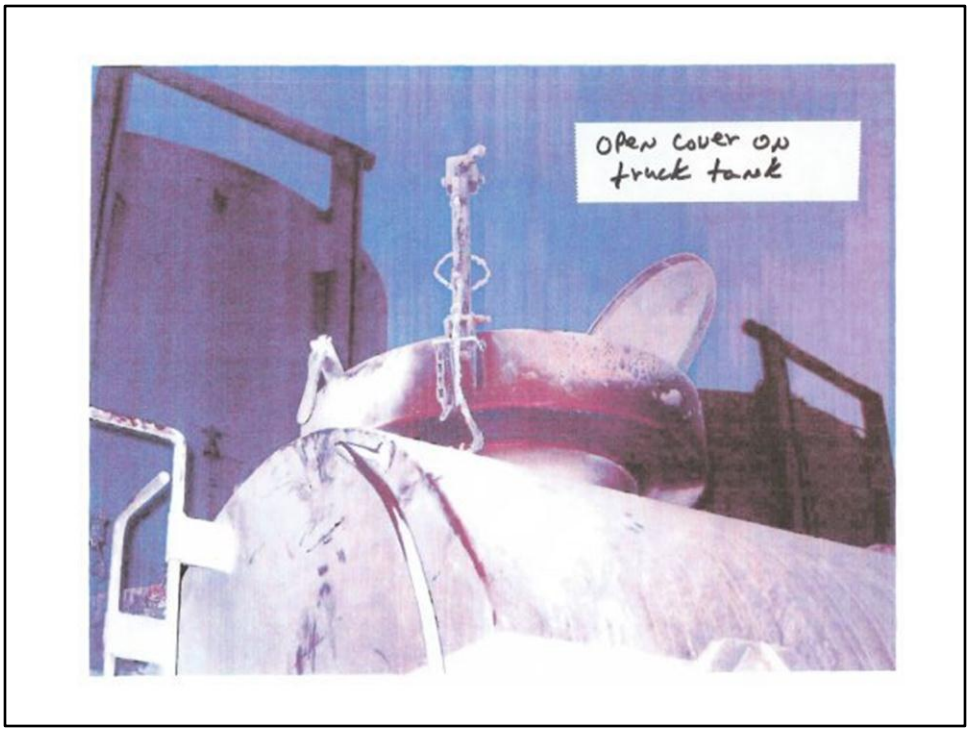
When the Ampower Oil Company representative realized that the pressure in the annulus was still at -0-, he told the Fracturing Services's supervisors to shut down the horsepower trucks and stop pumping fluid into the four-inch pipe. Eventually, the Fracturing Services's pump truck operator was able to bring the pressure up in the annulus to approximately 4,500 pounds.

5,000 lb. Pressure Limit—Missed!

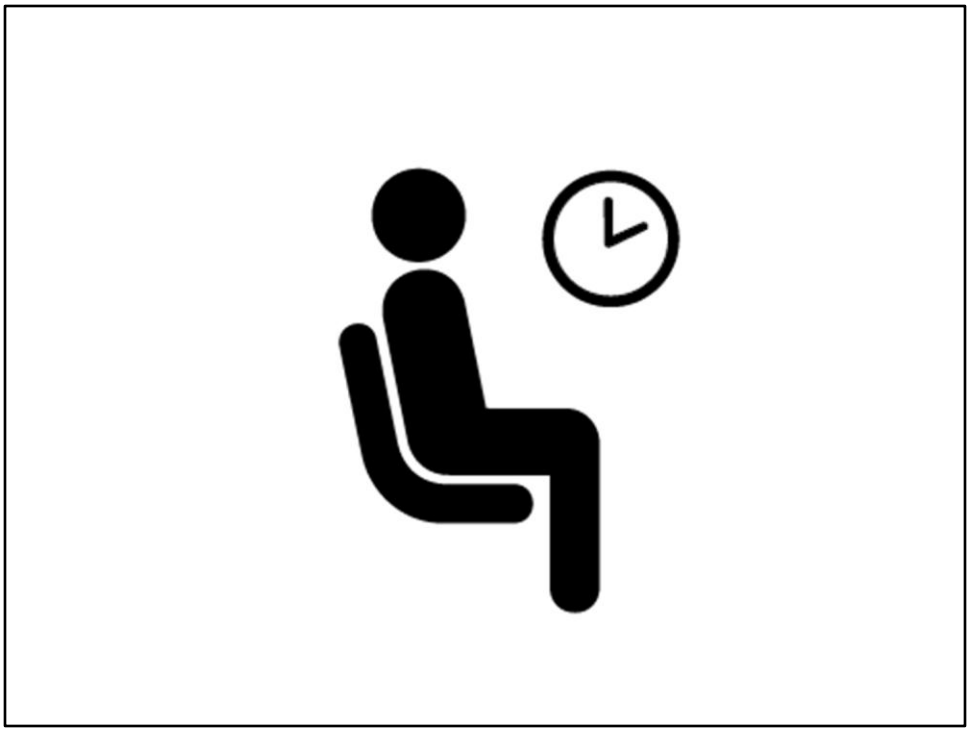
Everyone agrees that the pop-off safety mechanism at the well did not go off as it should have done when the pressure in the annulus reached 5,000 pounds per square inch. The pop-off had been set incorrectly by Bill.



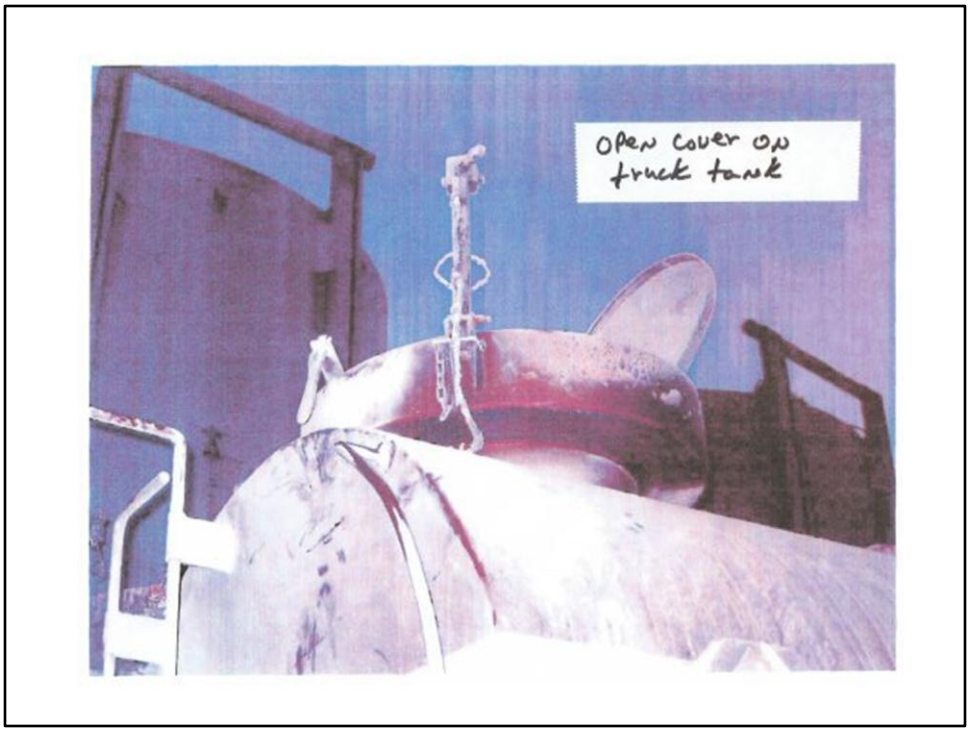
Error No. 5 by Fracturing Services Pump Truck Tank Left Open.



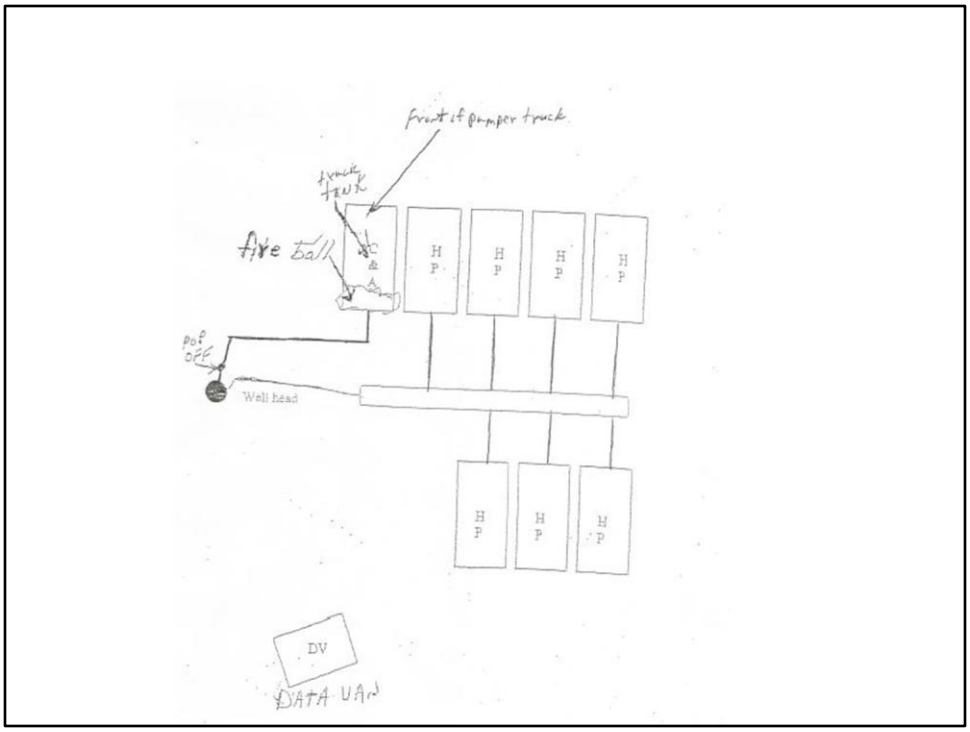
. If the cover on the tank had been closed, the gas would not have escaped into the atmosphere. The inexperienced pumper truck operator stated that he kept the cover open for convenience so he could check the water level in the tank.



According to the data, the pressure in the annulus reached approximately 5,100 pounds per square inch and the pop-off still had not operated.



Instead, the Fracturing Services□s supervisors and the Ampower Oil Company representative saw water coming out of the top of the pumper truck tank. [Slide No. 7]



The Ampower Oil Company representative and the Fracturing Services□s supervisors simultaneously notified everyone to shut down the project. A few seconds later, a fireball and explosion occurred in the vicinity of the pumper truck

Disagreement: Source of gas

The experts disagree on where the gas came from.

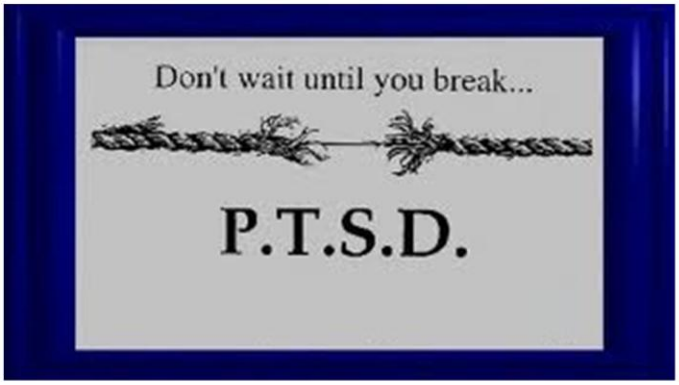
Both experts will tell you that dealing with oil wells this deep into the earth, unexpected things can occur, and that is why safety mechanisms are built into the system to anticipate unexpected occurrences and make sure that those unexpected occurrences do not result in explosions.

In this case, the methods used by Fracturing Services essentially turned off the safety mechanisms designed to prevent this accident from occurring. Had Fracturing Services used this safer method available to them, they will tell you that the accident would not have occurred.

Plaintiff: Well was leaking

, if you believe there was a leak on the day of the accident, it was caused by the procedures used by Fracturing Services, not by anything Ampower Oil Company did or did not do. Even if there was a leak on the day of the accident, the safety mechanisms should have operated to prevent the accident.

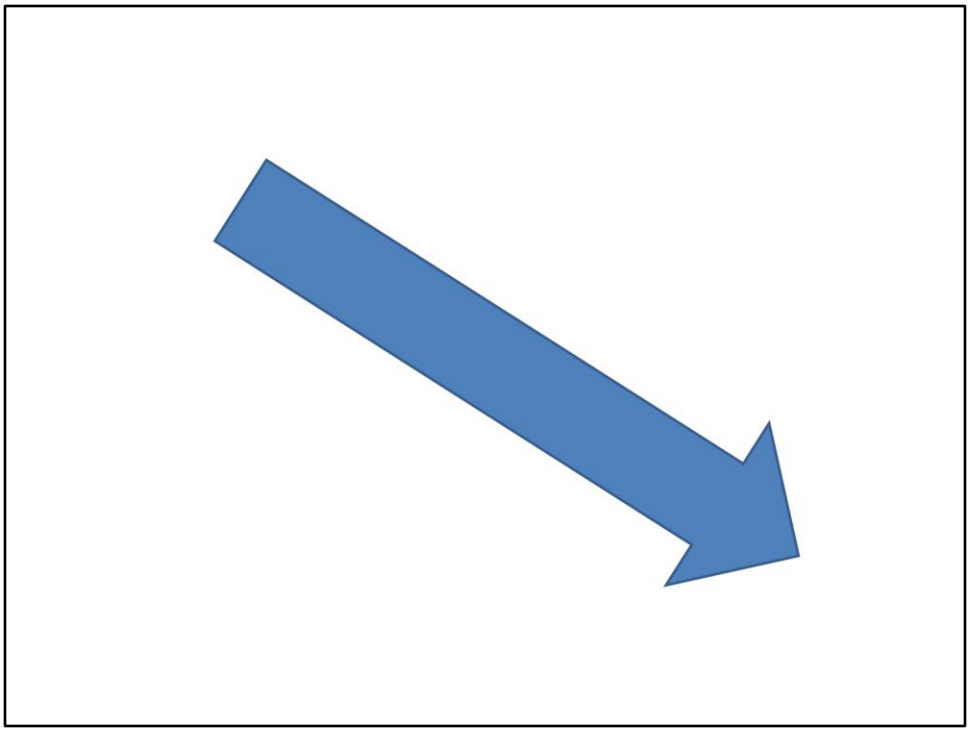
Bill Had Prior Problems



Bill had been having substantial problems with posttraumatic stress disorder and headaches. He had been treated on and off for these problems by the Veterans Administration clinic from the time he was discharged from the military until the time of the accident, which was a period of several years.

Veteran's Disability Rating:

In fact, Bill□s posttraumatic stress disorder was so severe before this accident that the Veterans Administration assigned him a 70 percent disability rating, as a result of those symptoms



It is very important for you to keep in mind during this case that Bill□s posttraumatic stress disorder was <u>not</u> caused by this accident

You will hear testimony from Bill□s coworkers about problems he was having at his employment with Fracturing Services prior to this accident.

Friction at Work

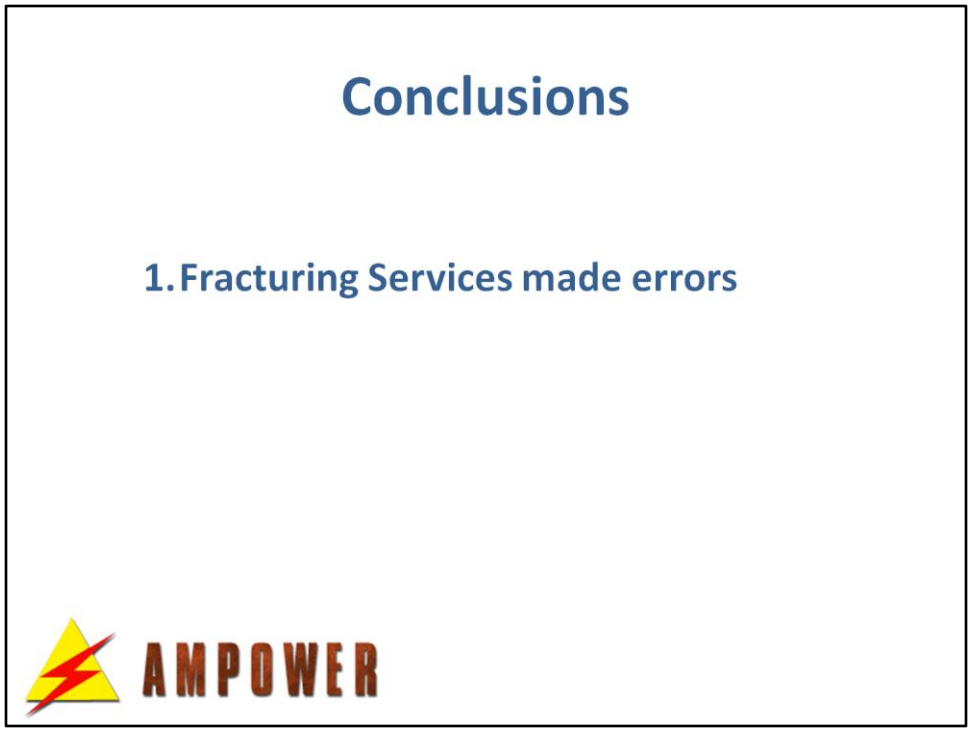
He was drinking excessively, even to the point of not being able to get up out of bed to come to work in the morning or arriving late at work.

Bill was a combat veteran, and they were trying to accommodate him in any way possible; but Bill□s chief supervisor will tell you that things were becoming worse and worse up to the accident and they had come very close to terminating Bill for several reasons.

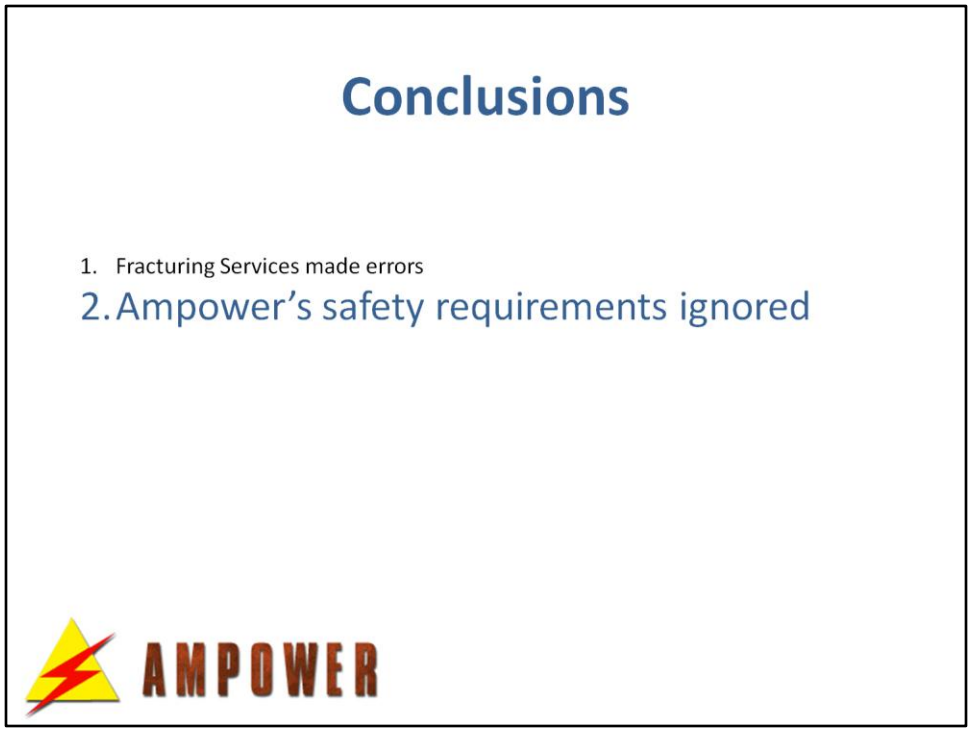
"Family Reasons"

After the accident, Bill continued to work for Fracturing Services for approximately three weeks doing fracturing projects like the one involved in this accident. However, he had another drinking episode during that time and was demoted from crew supervisor to a lower position

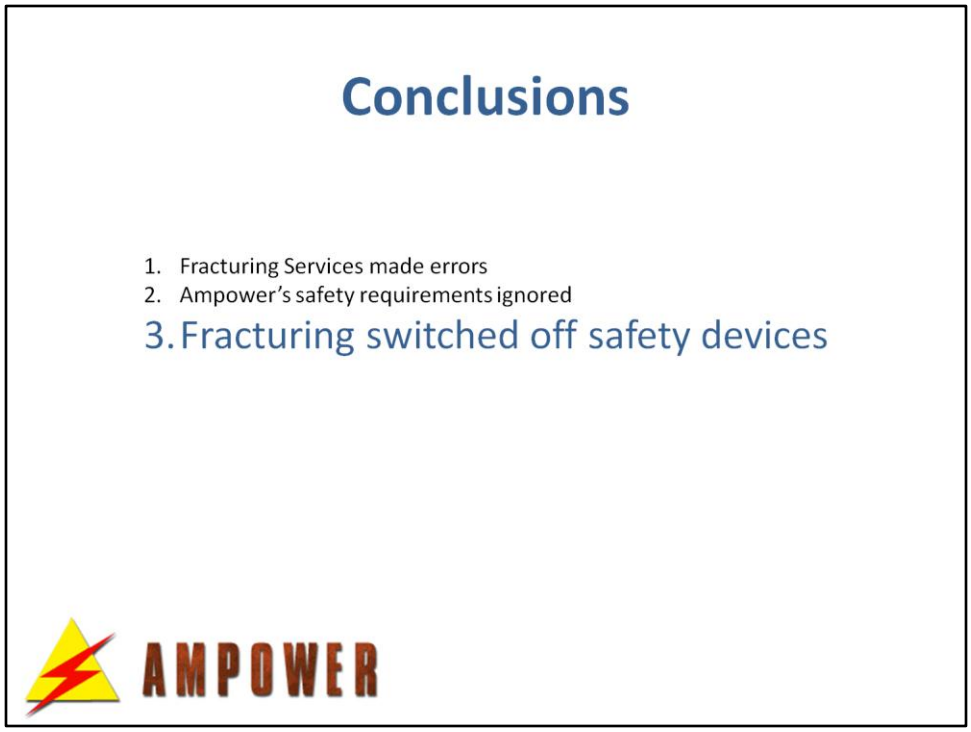
a medical doctor/psychiatrist retained by Ampower will tell you that, in his opinion, Bill should not have been employed in the oil fields because of the severity of his posttraumatic stress disorder prior to the accident as diagnosed by the Veterans Administration as a 70 percent disability. Bill was at risk for endangering himself and his coworkers. All of the experts will tell you that Bill□s remaining at home alone for the rest of his life would be extremely detrimental to him and that he needs to successfully complete his treatment and rehabilitation so he can reenter the workforce and society in general, which will assist in his total rehabilitation.



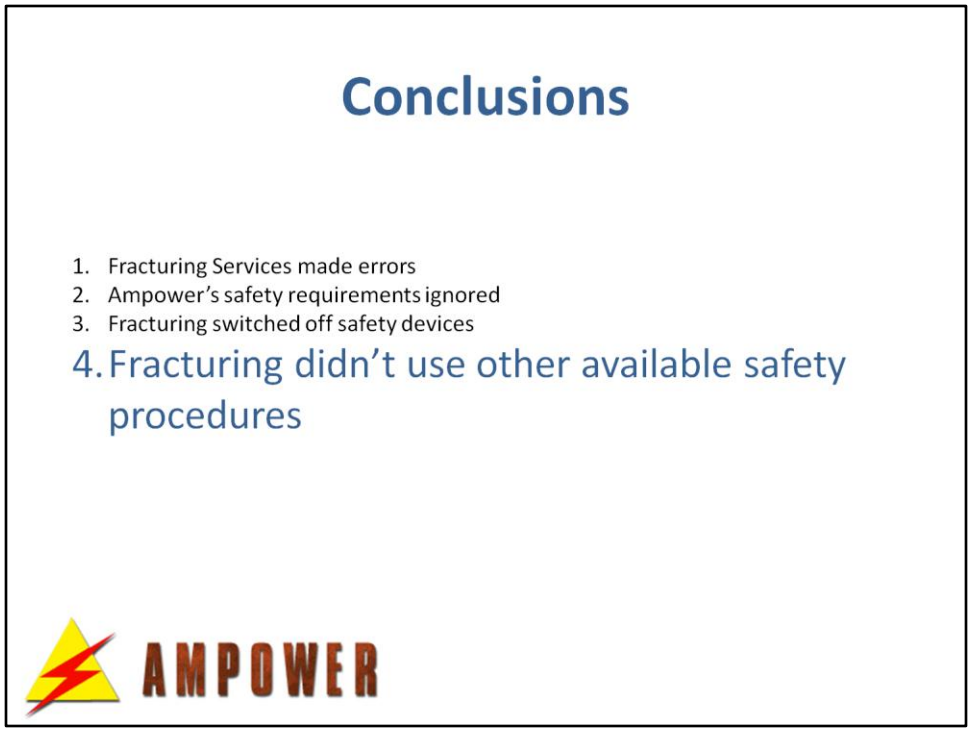
In conclusion, the evidence in this case is that: 1) Fracturing Services made a number of errors during the course of this project, either through the use of poor procedures or inexperienced employees which caused this accident;



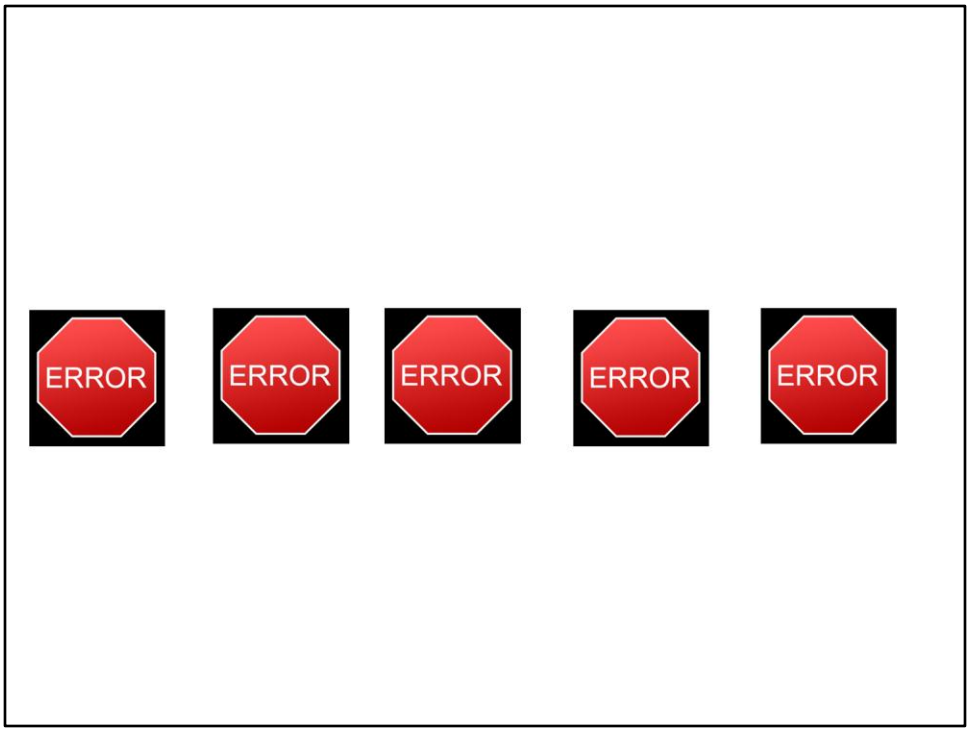
2) Unexpected things occur during oil well projects, and Ampower had insisted on safety devices being installed by Fracturing Services, such as pressure monitors and safety pressure relief valves (pop-offs);



3) The procedures used by Fracturing Services and the actions of their inexperienced pump truck operator essentially switched off the safety devices and made them useless in this situation, a fact which all of the Fracturing Services□s employees will tell you they were aware would happen if these procedures were used;



4) Fracturing Services could have used other procedures which they had available to make sure that the safety devices would operate appropriately and which would have prevented this accident from occurring.



I've already explained why I believe Bill and Fracturing Serivces are responsible for this accident. there are two sides to every coin and that arguments can be made that Ampower Oil Company should bear some percentage of fault for this accident

Pop-off Would Have Prevented

I cannot ignore the evidence that the pop-off did not go off when it should have, which would have also prevented this accident.

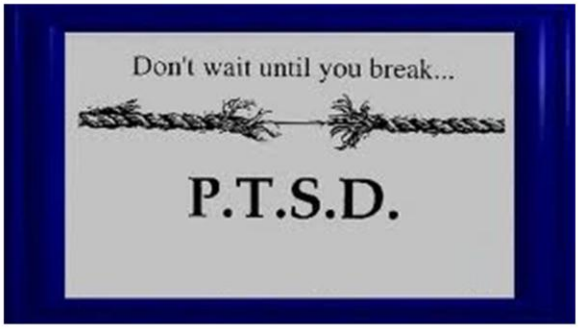
Verdict

7. What percentages of fault that were a proximate cause of the accident to you attribute to:

Bill	_____%
Ampower Oil Company	_____%
Fracturing Services	_____%
Total	100%

Therefore, I believe it is only fair that Ampower Oil Company, Fracturing Services and Bill ALL be assigned a percentage of fault as well. You assign the percentages of fault as you see fit, after you consider all the evidence in this case in a fair and impartial manner.

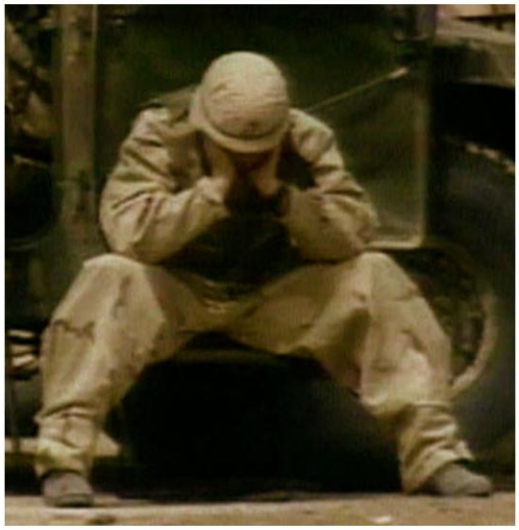
Bill's Prior Problems: Severe



Let me now discuss the issue of money damages with you

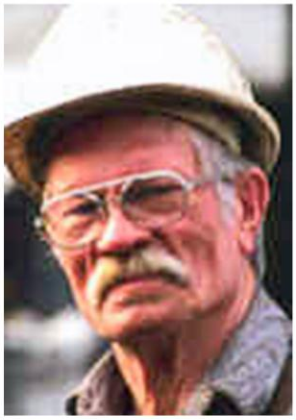
He had received a disability rating from the Veterans Administration of 70 percent only a few weeks before this accident occurred.

There is no dispute that Bill□s severe posttraumatic stress disorder was not caused by the accident.



But, to be fair to Bill, it appears from the Veterans Administration□s records that Bill□s severe and chronic posttraumatic stress disorder which existed before the accident was aggravated and got worse, to some degree, as a result of the accident

Few Elderly Workers in Oil Patch



We believed it was unreasonable to assume that with severe and chronic posttraumatic stress disorder prior to this accident, that Bill could have continued to work in the high stress and high danger industry of oilfield work, especially to age 68, as suggested by his attorney. Very few people are able to last in the oilfields into their older years, because of the nature of the work, much less battling severe and chronic posttraumatic stress disorder.

Realistic Projections

We all need to continually keep in mind that Bill□s posttraumatic stress disorder was not caused by this accident.

Ampower's Projected Losses

Postevent Lost Future Earning Capacity Assuming Alternate Employment-						
Year	Partial Calendar Year	Statistical Year	Age	Preevent Annual Earning Capacity	Postevent Annual Earning Capacity & Childcare Value	Lost Future Earning Capacity
2012	0.7918	0.5662	29-30	$19,726.30	$3,969.73	$15,756.56
2013	1.0000	0.7150	30-31	$24,739.52	$4,978.60	$19,760.92
2014	1.0000	0.7150	31-32	$24,566.35	$4,943.75	$19,622.60
2015	1.0000	0.7150	32-33	$24,394.35	$4,909.14	$19,485.21
2016	1.0000	0.7149	33-34	$24,223.51	$4,874.76	$19,348.75
2017	1.0000	0.7420	34-35	$24,965.15	$5,024.00	$19,941.14
2018	1.0000	0.7419	35-36	$24,789.75	$4,988.71	$19,801.05
2019	1.0000	0.7419	36-37	$24,615.34	$4,953.61	$19,661.73
2020	1.0000	0.7418	37-38	$24,441.63	$24,441.63	$0.00
Totals:	36.9096	25.1295		$778,646.06	$625,268.10	$153,377.96

The table shows that if Bill stays home with the children for the next 7 years, his expected net economic loss for the next 7 years would be a total of $153,377, as shown in the far right-hand column

Future Economic Loss

8. What amount of damages, if any, do you award to Bill for:

Future economic loss $153,377

We think $153,377 is an appropriate value for Bill's future economic losses.

Under the plaintiffs analysis of loss of future economic loss, Bill would be sitting home alone not doing any type of employment and basically being cut off from the rest of society.

Oil Work Coming to End

we do not believe that Bill would have or should have continued to work in the oilfields very much longer, even if this accident had not occurred.

Past Oilfield Income

8. What amount of damages, if any, do you award to Bill for:

Past economic loss $100,000

Based on all of these factors, We believe that past economic loss of $100,000 for lost oilfield income would be more than fair to Bill. Therefore, I would suggest to you that past economic loss should be approximately $100,000 on line 8 of the verdict form.

Past & Future Non-Economic

8. What amount of damages, if any, do you award to Bill for:

Past economic loss	$100,000
Future economic loss	$153,377
Past noneconomic loss	**$_____**
Future noneconomic loss	**$_____**

the severity of Bill□s posttraumatic stress disorder prior to this accident.. Please keep this in mind when you are determining damages for past and future noneconomic loss. It would be unfair to do otherwise.

Mary's Lost Consortium

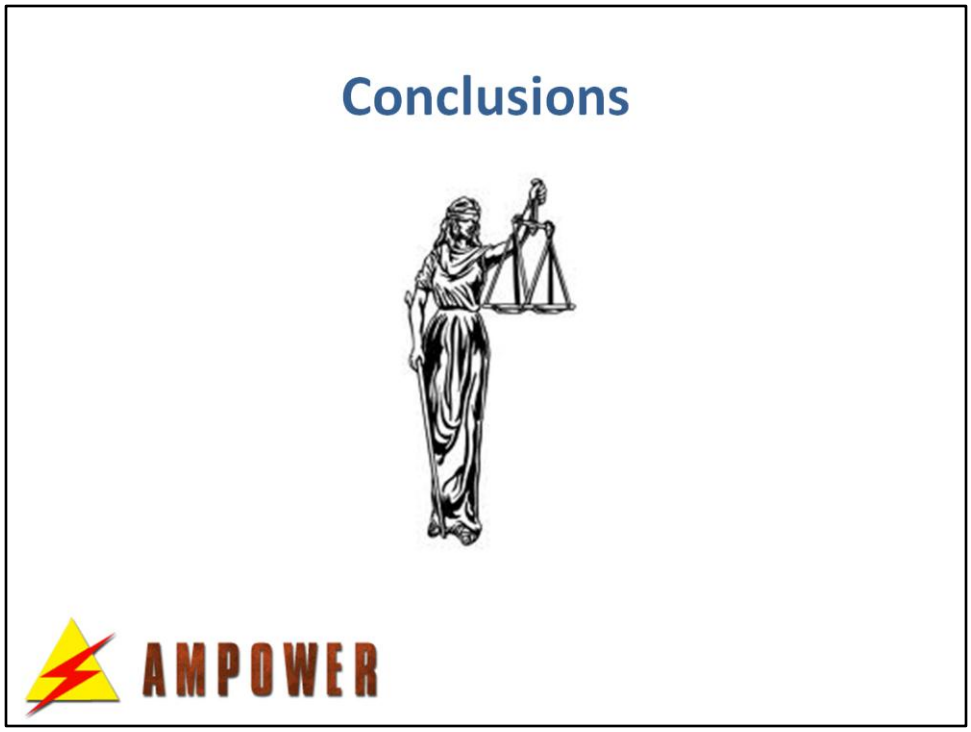
9. What amount of past and future damages, if any, do you award to Mary for her loss of consortium claim?

$ _____[Reasonable]

There is no question that Mary had to support Bill during the past few years, both financially and emotionally. She has done an admirable job. She is entitled to some reasonable amount for her loss of consortium claim.

Punitive Damages

My colleague has implied that the actions of the Ampower Oil Company were oppressive and done with actual malice, which means that Ampower intended to hurt someone. The Ampower supervisor is a life- long, local resident. He is not a malicious person and would never, and I repeat never, do anything to intentionally injure someone else. He was as close to the well at the time of this accident as anyone was. It would be totally against the evidence in this case to even imply that the Ampower supervisor was oppressive and showed actual malice towards Bill or anyone else.



Conclusion

Ampower Oil Company regrets that this accident occurred. We realize this is not an easy case for you to decide, but we trust you will be fair and impartial with all of the parties in this case.