

NEW MEXICO INJURY ATTORNEY BLOG

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Making Things Right with the BP Gulf Disaster!

There has been a lot of interesting news of late on the BP Gulf Disaster. As you recall, BP came out with its public relations machine vowing to make things right just after the accident. I wonder how that's working out?

In the spirit of responsibility, the parties, the oil industry and their tort reform allies have fought tooth and nail to cap the liability of all responsible parties, not just BP. Currently, there is a \$75 million cap on BP's liability. BP has set aside \$20 billion presumably to cover all damages. However, BP has not yet clearly waived the \$75 million cap on its liability. Rest assured, BP will not part willingly with the \$20 billion. The verdict is out on BP's ultimate outlay. However, it is pretty clear that \$20 billion is insufficient to cover the actual damages to the Gulf, its residents, its businesses, and let's not forget the 11 dead workers and their families.

Transocean has been much bolder in its position seeking to keep its liability to a mere \$25 million. This is remarkable in light of recent news of Transocean's safety issues at several of its other gulf wells. It is astonishing in light of the recent news that Transocean plans to cut benefits to its workers injured on the well to \$25/day. Keep in mind these employees were earning \$10,000 to \$15,000 per month prior to the explosion. In the spirit of making everything right, Transocean has recovered over \$400 million in insurance proceeds for the loss of its platform recording a gain of \$267 million on the rig's policy.

Transocean benevolence is unassailable. After all, Transocean's says it so when president and CEO, Steven L. Newman, states that its "first commitment has always been and will continue to be the safety and well-being of our people." This would certainly explain the generous \$25/day to its employees. It might in a roundabout way explain why they refuse to acknowledge injuries to its workers. Transocean will admit that only 17 were injured despite the fact that there are currently 60 worker lawsuits and that 9 Transocean employees counted among the 11 workers killed in the explosion. After all, if they were not injured then it really is best for them to get on with their lives and \$25/day should do the trick!

Making a cameo appearance, and perhaps a leading role in the coming episodes, is Halliburton. From the beginning, Halliburton denied any responsibility for the rig explosion. The company has done everything, successfully it might be

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added, to distance itself from BP and the disaster. A new report from the presidential commission investigating the disaster has found that Halliburton knew that the cement mixture to seal the well was unstable. Despite the obvious dangers of a blowout to both the workers on the rig and to the environment, Halliburton used the mixture anyway. The result, 11 dead, many more very seriously injured, the Gulf laid to waste, and thousands along the Gulf financially ruined.

What can we expect in the future from BP, Transocean, Halliburton, the oil industry and advocates of Tort Reform? To answer that, we need only go to the Tort Reform playbook: Fight for liability limits. Fight every conceivable safety regulation. Fight even a temporary moratorium on deepwater wells to protect against future disasters. Fight for every last nickel to deprive the dead and injured workers of just compensation. Do not forget to vilify the victims with the British press laying the groundwork by referring to the victims of the BP Gulf disaster as "Spillionaires." And most importantly, attack the trial lawyers who would dare seek fair compensation for the victims.

All in all, it appears everything is going as planned.

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