

Oil & Gas Law

First Quarter 2007

Parties Settle Pipeline Explosion Case

Knighton v. Samson Lone Star Limited Partnership

No. 05-0582 (71st Dist. Ct., Harrison County, Tex. Sept. 14, 2006).

On March 2, 2005, the plaintiffs were working on a crew employed by an oil and gas well services company near Marshall, Texas. An explosion occurred in the pipeline killing one of the plaintiffs and injuring three others. The plaintiffs sued for wrongful death and workplace negligence, claiming that a tool known as a production packer had been placed down a hole in the well a few days before Plaintiffs began their work.

The packer in question was designed, manufactured, assembled, and marketed by Baker Oil Tools. The well was owned and operated by Chalker Energy Partners (“Chalker”), and the packer was set in the well by Black Warrior Wire Line Co. (“Black Warrior”). Chalker hired James E. Smith & Associates to design and draft the well completion procedure and to act as its field agent during the well completion phase.



Plaintiffs argued that the packer failed to remain in its set position and had migrated up the hole to 700 feet. The decedent was placing joints of tubing down the hole when he encountered the obstruction. After asking his field agent and an onsite Baker representative how he should proceed, he began to “pick up” on the joints of tubing to determine the nature of the obstruction. When he did so, the well “blew out,” throwing all four injured parties sixty feet in the air.

Plaintiffs alleged that the Baker packer was defectively designed and caused the well explosion. In addition, Plaintiffs argued that Black Warrior was negligent in setting the packer at the wrong depth and that the field agents and Chalker were negligent in failing to implement a common safety practice—filling the well with fluid after the packer was set.

Baker and Pure Castings denied that the packer was defectively designed or manufactured and instead argued that the packer was improperly set by Black Warrior. In turn, the other defendants made the reciprocal argument that the injuries were the result of manufacturing and design defects.

The parties ultimately settled for \$8,500,000 with Baker Hughes paying \$2,750,000, Chalker Energy paying \$2,250,000, Pure Castings paying \$2,000,000, James E. Smith paying \$1,000,000, and Black Warrior Wireline paying \$500,000.

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